Daily Report

East Europe

FBIS-EEU-91-110
Friday
7 June 1991

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Bufi Discusses New Government With Party Leaders

AU0606192391 Tirana ATA in English 1808 GMT 6 Jun 91

[Text] Tirana, June 6 (ATA)—Ylli Bufi, chairman of the Council of Ministers, met in separate meetings with leaders of political parties and organizations: Of the Party of Labour, Xhelil Gjoni; the Democratic Party, Sali Berisha and Eduard Selami; the Republican Party, Sabri Godo; the Social-Democratic Party, Skender Gjinushi; the Agrarian Party, Meno Gjoleka and Llambro Billa; the Ecological Party, Namik Hoti; the Party of National Unity, Idajet Beqiri and Pal Delia; and "Omonia" Organization, Jani Jani and Panajot Barka.

In these meetings the chairman of the Council of Ministers held talks and considered the opinions of the political parties and organizations with regard to the program and composition of the new government.

General Strike To Continue Until Demands Met

AU0606155591 Tirana Radio Tirana Network in Albanian 1330 GMT 6 Jun 91

[Text] A declaration by the General Strike Central Committee states that the Committee, having intensively discussed the situation in the country with representatives of the district strike committees, welcomes the political settlement reached among the political parties, considering this settlement a very important factor for stabilizing the country's political and economic situation. The Union of Independent Albanian Trade Unions will make its maximum contribution to this stabilization, insisting as hitherto on the protection of working people's interests.

The General Strike Central Committee states that it insists on the fulfillment of the 17 demands submitted on 9 April 1991. To end the general strike and not to devastate the country's economy further, it is urgently necessary for the prime minister, in cooperation with the leaders of the legislative groups and representatives of the political parties that will participate in the government, to guarantee the fulfillment of these 17 demands and other specific demands according to deadlines to be determined.

For our part, the declaration emphasizes, we are ready to enter dialogue to hasten an end to the strike.

Strike Blocks Tomato Exports

AU0606155991 Tirana Radio Tirana Network in Albanian 1330 GMT 6 Jun 91

[Agricultural Ministry statement issued in Tirana on 6 June]

[Text] The working people of some agricultural enterprises and the peasantry in cooperatives with export production have become very worried in recent days. Large quantities of tomatoes have been produced for export, but as a result of the continuing strike of the Durres truck fleet and the railroads, the tomatoes are not being exported. There are at present 300 tonnes of tomatoes lying at collection points in the districts. In the last two days, it was planned to export 200 tonnes a day. From the failure to load their produce alone, the peasantry [passage indistinct].

If this state of affairs continues, the peasantry will be left without the incomes they have earned by their efforts and sweat in more than 800 hectares of greenhouses producing tomatoes for export. The agricultural sector will also fail to realize the foreign currency earnings that are so important for buying other foodstuffs, pesticides, chemical fertilizer, etc. This attitude is also contrary to the punctilious agreements we have with many foreign firms, and will lead to the loss of markets and a failure to exploit the very favorable price for tomatoes that market conditions now offer.

'Serious' Sanitary Situation Reported in Tirana

AU0606152991 Tirana Radio Tirana Network in Albanian 1330 GMT 6 Jun 91

[Text] A statement issued by the Committee for the Communal Economy and Environmental Protection states that the ugly acts committed recently in the cities of Lezhe, Durres, Kavaje, Shkoder, Vlore, and Tirana have caused considerable material damage worth more than 5 million leks. Beach cabins and other facilities have been damaged at Shengjin, Durres, Golem, and Vlore. About 1,500 square meters of imported glass alone have been broken. There has been serious damage to street lighting, stone and concrete paving on the streets and sidewalks, and trees in parks and flower gardens. Despite the efforts of our employees helped by the forces of order, these acts have continued; there are new signs and reports of damage and forced entries into beach cabins and greenhouses.

Workers in the communal sector, although in solidarity with the trade unions' economic demands, have not gone on strike, but have worked to meet the people's essential needs. Only the drivers of the Tirana communal truck fleet are still on strike, creating serious concern, especially over the removal of the city's garbage. At present, the sanitary situation in the city of Tirana is very serious. Although some vehicles have been taken from agricultural enterprises and tractor stations to clean the city of Tirana, some people have put pressure on their drivers, throwing stones and bottles at them, and dismissing them from their jobs.

It is to be stressed that, as a result of the general strike, the supply of firewood and coal has been totally interrupted, thus creating a shortfall of 1,300 cubic meters of firewood and 5,000 tonnes of coal, which will later give rise to concern in providing heating for the people. We think that, besides the swift measures that should be taken by the communal services sector to stabilize the situation, we must appeal to all working people and state apparatuses in the district and other political, economic,

and social bodies to help to stop these phenomena, not only because communal services are part of the people's essential needs, but because some communal facilities such as the drinking water pumping stations and the electricity distribution stations are vitally necessary, and any breakdown would have serious consequences.

Assembly Approves Decree on Use of Firearms

AU0606155391 Tirana Radio Tirana Network in Albanian 1330 GMT 6 Jun 91

[Zamire Koleci report—recorded]

[Text] Deputies began the proceedings of the People's Assembly this morning at 0922. At this session, they continued to discuss the item on the agenda involving the examination and approval of decrees.

Yesterday afternoon, deputies approved Articles One and Two and some paragraphs of Article Three of the Decree on the Use of Firearms by Border Guards, the Forces of Public Order, and Armed Military and Civilian Guards.

At the start of today's session, the deputies of the Albanian Workers Party's legislative group asked to return to Paragraph CH [fourth letter of Albanian alphabet], which was approved yesterday evening. The Presidency decided that their comments could be submitted to the Secretariat and borne in mind in the paragraph's final formulation.

The session went on to examine other paragraphs of Article Three, which were approved by a majority of votes. These paragraphs referred to the possible use of firearms by the forces for the maintenance of order.

As the session continued, Fehmi Avdiu asked that, in connection with Article Two, the proposal submitted by Neritan Ceka should be borne in mind. This proposal provided for the use of firearms when people are kidnapped. Deputy Avdiu wished to also provide for the use of firearms when ships and aircraft are hijacked. The deputies agreed to reformulate Article Two, adding these two provisions.

The session went on to Article Four, on which there were no comments, and which was approved by a majority of votes.

We must stress, dear listeners, that the deputies, besides examining the articles, also heard spokesmen for the Commission for the Maintenance of Public Order and National Security, the Legal Commission, and the Commission for the Protection of Human Rights and Ethnic Minorities, made comments on the suggestions presented by the members of these commissions, and presented their own proposals. All the proposals were then put to the vote.

In connection with Article Five, Robert Gjylahmeti from the Ministry of Public Order and Tahir Bega from the police service provided explanations. The proposals submitted in the course of the session were put to the vote and Article Five was approved, incorporating the proposal presented by the deputy Pellumb Kapo.

There were no comments or suggestions about Article Six, and it was approved as it stood by a majority of votes.

There were many comments and suggestions from the three commissions about Article Seven. All the proposals were accepted, and were handed to the lawyers to be incorporated in the final draft of this article.

The Legal Commission's proposal regarding Article Eight was accepted and the deputies approved this article.

The three commissions had no comments on Article Nine, but Deputies Ylli Vejsiu, Fehmi Avdiu, and Belul Lufo made proposals. Ylli Vejsiu's proposal was adopted by a majority of votes.

There were no comments on Articles 10 and 11, which were approved as they stood by a majority of votes.

Deputy Fehmi Avdiu insisted on a reformulation of his proposal about Paragraph C of Article Two, and asked the Assembly to return to this article. The deputies asked for explanations from specialists in border issues, and Ismail Skeja, specialist in border issues at the ministry of Public Order, was summoned.

Although the deputies voted on and approved the proposal, the session continued with an endless discussion of this point. Deputy Avdiu's proposal was supported by Deputy Xhevat Sinoruka and many others. In the meantime, the paragraph was left to the lawyers for reformulation.

Deputy Baki Shehu then took the floor and criticized the Ministry of Defense and the Ministry of Public Order for significant bureaucratic delay in failing to present before the legislature formulas defining the status of members of the armed forces, the depoliticization of the armed forces, and the organization of the Ministry of Public Order and the Committee of National Security.

At the end of the session, deputies approved the entire Decree on the Use of Firearms by a majority of votes.

In the afternoon, the legislative groups will discuss the decrees to be examined at the plenary session scheduled to begin tomorrow morning at 0900.

U.S. Relations Assessed on Eve of Quayle Visit

AU0706090691 Sofia BTA in English 0740 GMT 7 Jun 91

[Text] Sofia, June 7 (BTA)—A U.S. vice president will visit Bulgaria for the first time after 90 years of diplomatic relations, broken off for a time under Sofia's communist regime. Mr. Dan Quayle wants to convince himself that democratic processes in this country are irreversible and that, on this basis, Bulgaria deserves support in a variety of fields.

The last few months have shown promise for the development of Bulgaro-American relations. The credit goes largely to President Zhelyu Zhelev's unofficial visit to the United States last September, the first ever visit by a Bulgarian head of state.

The United States not only supports changes in this country but also appreciates its stand on sensitive international issues and approves the first stage of the economic reform.

President Zhelev offered the United States to monitor the dismantling of SS-23 missiles in Bulgaria and the CIA to share in the investigation of the plot to kill the pope. Prof. Alan Weinstein, director of the Center for Democracy in Washington D.C., heads a commission of inquiry into the attempted assassination.

Security problems are also on the bilateral agenda, focusing on guarantees for Bulgaria's national security.

The present state of economic relations leaves much to be desired. The agreement on the mutual granting of a most-favoured-nation status which was signed in April and future agreements on investment and taxation are expected to bring about a change.

Bulgaria received 100,000 tonnes of fodder maize in humanitarian aid, and another 200,000 tonnes are expected under an agreement due to be signed during Mr. Quayle's visit.

The United States would like to open a cultural centre in Sofia. An American University will be opened in Blagoevgrad (south-western Bulgaria) this autumn.

Popov Asked To Explain Soviet Treaty or Resign

AU0506215491 Sofia BTA in English 1625 GMT 5 Jun 91

[Text] Sofia, June 5 (BTA)—Today the "PODKREPA" weekly publishes a copy of a confidential report of Foreign Minister Viktor Vulkov and Defence Minister General Yordan Mutafchiev addressed to Prime Minister Dimitur Popov.

In this copy, which according to "PODKREPA" accurately reproduces the text of the original report, the two ministers set forth arguments concerning the Bulgarian stand at the talks on the signing of a new Treaty for Cooperation, Security and Friendship with the Soviet Union.

As arguments in favour of the signing of this treaty the two ministers cite, among other things, the fact that almost all branches of the Bulgarian economy are based on Soviet technologies and working with Soviet raw materials, the fact that 60 per cent of Bulgaria's export is realized in the Soviet market and the fact that the Bulgarian Army is armed mainly with Soviet weapons.

The guiding element of the draft treaty which the ministers call the "core" of this document is the securing of "politically more apparent and, if possible, organizationally and materially backed guarantees for Bulgaria's national security in compliance the general concept adopted by the National Security Council." These guarantees will be subject to agreement in the form of an open protocol, which will be an integral part of the treaty. The clauses of this protocol will be mainly of a military nature but they will also be of significant political importance. The concrete military plans for the joint defence of this country could be elaborated in the form of classified appendices to this protocol which will be subject to regular updating.

The daily recalls the recent statements made by Prime Minister Dimitur Popov that such a protocol "does not exist, is not being prepared and will not exist." The PODKREPA weekly observes that the report of the two ministers dates back to February this year. The weekly calls on the prime minister to give an explanation or to "resign with dignity, if he has lied to the Bulgarian people."

Paparizov on Trade Relations With USSR

AU0506215791 Sofia BTA in English 1926 GMT 5 Jun 91

[Text] Sofia, June 5 (BTA)—"There is some progress in the preparation of the fundamental agreements regulating Bulgaro-Soviet economic relations," Mr. Atanas Paparizov, minister of foreign economic relations, told a press conference here today.

According to Mr. Paparizov, the agreement regulating the participation of Bulgarian companies in the construction of the transit gas-main to Greece is almost ready, only some details have to be specified. The agreement on Bulgaria's participation in the construction of the gas-main Yamburg-West Soviet border has also been endorsed. In return the Bulgarian side will receive gas at much more advantageous conditions than on the international market, even if the exchange rate of the lev against the dollar rises two- fold, the minister said. A large transaction is expected to be effected by the Bulgarian Telecom Company, which will supply telecommunication equipment to the Soviet market against the import of equipment for the Bulgarian railways. Bulgaria plans to develop economic cooperation with the separate republics within the USSR on the basis of contracts, as the new union treaty and other legislative acts are expected to allow the republics to maintain direct economic contacts with foreign partners. Sofia is seeking to regulate its economic cooperation with the Russian Federation, Ukraine, Belorussia and other republics, Mr. Paparizov said. He expressed satisfaction with the decisions of the government

in Moscow, which broadened the possibilities for mutually advantageous barter transactions between companies of the two countries.

At the same time, however, in the first quarter of this year Bulgaria's total foreign trade has dropped by 56 per cent as against last year. Most of this drop is in roubles, although Bulgaria has not only kept but even increased its positive balance in transferable roubles: 783 million at present. The coeficient and the purpose for which Bulgaria can spend these assets have not been specified. Yet to be specified is also the problem of the so-called non-commercial payments: Students' allowances, the expenditures of diplomatic missions etc. The ministry is negotiating with the Soviet side for finding a mutually acceptable, that is, a "non-convertible" solution.

Mr. Paparizov confirmed his conviction that Bulgaria should do everything possible to preserve her positions in the Soviet market, where she will have to compete both with Western and with East European countries. Among them Czechoslovakia has been managing the best so far. As regards Sofia's economic contacts with the former "fraternal socialist countries," after the transition to hard currency payments they are characterized by a 70 per cent drop in trade as against last year.

Finance Minister Kostov Discusses Economy

AU0606162391 Sofia ZEMEDELSKO ZNAME in Bulgarian 1 Jun 91 pp 1, 2

[Interview with Finance Minister Ivan Kostov, by Radka Vasileva and Rozalin Kostov; place and date not given: "The Second Wave of the Price Shock"—first three paragraphs are ZEMEDELSKO ZNAME introduction]

[Text] The second phase of the economic reform is starting. For a Bulgarian exclusively concerned with his food, will there be new, even greater hardships? Production continues to shrink, consumption decreases (in the first quarter of this year alone it decreased by 25 to 30 percent in comparison to the same period last year) and inflation is rising (from December to May by 280 percent). Speculators look forward to new outrages on consumers and new illegal profits.

However, is it possible to free the prices of two key products of the economy? Obviously not. The prices of gasoline and fuel—everything else depends on them. The door is now open for the unavoidable market reform in the sphere of power supplies.

Especially important for the second phase's balances will be foreign credit, which is being held up. In fact, that was one of Minister Ivan Kostov's main problems at a meeting with representatives of the diplomatic corps on 31 May, after which his team met with journalists. We would like to point out the answers the minister gave for readers of ZEMEDELSKO ZNAME.

[ZEMEDELSKO ZNAME] What are the key moments for the second phase of the reform?

[Kostov] The main point is to implement the aims of the economic policy while stressing the following: achieving a final monetary and financial stabilization of the country; initiating a drive toward a restructuring of the economy; and conducting accelerated demonopolization and privatization. We also will try to revive our economy. Here we will rely before everything else on fresh credit from abroad.

[ZEMEDELSCKO ZNAME] What guarantees does the government have against inflation increasing and a new break out of profiteering?

[Kostov] The guarantees are the population's conduct. The people will decide whether to carry on supporting the reform, whether we will all act sensibly. We are on the verge of the second jump—some people claim that this time we will jump into an empty swimming pool. The last time we did not kill ourselves, now they say that there is no water... Despite this we intend to jump, and let us hope there is water. I think that the government's courage is seen at such moments when it shows will power and action.

Against the continuing fall in production and against inflation we will use the same prescription as before: a strict credit and monetary policy (we rely a great deal on the Bulgarian National Bank's team) that will fully cool down the excessive search for solvency and limit the excessive amount of cash. As far as stopping the decrease and eventual turn about in production trends—this must be decided by the economic ministries, but in my opinion we must find an answer on the spot—from the firms and companies. In this our approach is different: It is not the government but the companies' management together with the trade unions who must find ways of coping. There are many things in the government's policies that will help companies in this direction—for example the abolition of all import restrictions and the liberalization of export taxes (that is being done to the detriment of the budget), tax preferences etc.

[ZEMEDELSKO ZNAME] Will money help production or the other way round?

[Kostov] Neither money nor production are important. What is important is the prosperity of the people. The terrible thing is that we are paying with a reduction of real production. Salvation will come from the harmonization and normalization of the economy.

The real contradiction is between the market and production. Production must fight for money, and the market must absorb all production. The dilemma of the market is the marketing of the whole output, and the dilemma of production how to find the markets.

[ZEMEDELSKO ZNAME] How are the burdens of the reform distributed in the social plan?

[Kostov] I think that the budget for 1991 is good because everybody has been deprived equally: The burdens are equally distributed; priority is not given to any social group

in particular, except agriculture and small companies, private property and cooperative property. This is done according to the program that replaces the 31st decree.

The preferences given to agricultural producers are significant—the incomes of private agricultural producers are tax free for five years; enterprises receive considerable tax relief; and a proportion of services for every branch (for example veterinary services) will continue to be paid for by the government.

'Radical' Deputies Urge Assembly To Dissolve

AU0606202991 Sofia BTA in English 1834 GMT 6 Jun 91

[Text] Sofia, June 6 (BTA)—The group of radical M.P.'s of the opposition Union of Democratic Forces (SDS), who boycotted parliament on May 14, believe that the irreversibility of the democratic process can only be guaranteed by a self-dissolution of parliament and fixing the earliest possible date for elections, as well as by the stability of the presidential institution. "Dr. Zhelev's efforts so far have been a factor of an ongoing transition to democracy," they believe.

"Group 39," as the boycotters are dubbed, believe that the Grand National Assembly is no longer capable of making responsible state decisions. They cite yesterday's resolution whereby parliament revoked its own resolution on a referendum to determine the country's form of government.

Today the radicals circulated a declaration saying that any delay of elections jeopardizes the successful progress of the reform. The radicals say that unless elections are immediately scheduled, they will disclaim moral and political responsibility for the fate of the reform "because parliament in its present composition is blocking the operation of the government." There is a danger of economic reforms staying in the hands of the nomenklatura social stratum at all levels.

The radicals deny the allegations that the self-dissolution of parliament would deprive of legitimacy the president, the government and the judiciary.

Judging by the text of the declaration, the radicals would hardly go back to parliament. They deny holding any negotiations whatsoever with the M.P.'s who still sit in the Grand National Assembly.

Former King Simeon Welcomes Referendum Repeal

AU0606161891 Sofia BTA in English 1410 GMT 6 Jun 91

[Text] Sofia, June 6 (BTA)—"Traditional national wisdom manifested itself in yesterday's resolution of the Grand National Assembly concerning the ill-timed and unnecessary referendum," says a message sent to BTA today by the Office of Simeon II of Saxe-Coburg-Gotha.

"Bulgaria only stands to gain from the resolution because it restored its image in the eye of the world as a state capable of a peaceful and internationally approved political evolution. This cannot but be gladdening for each Bulgarian," the message states.

Ovcharov Receives Two Year Sentence

AU0606132691 Sofia BTA in English 1056 GMT 6 Jun 91

[Text] Sofia, June 6 (BTA)—Today Mr. Stoyan Ovcharov, former minister of the economy and planning, was sentenced to two years in prison. Considering all the circumstances and the evidence on the case the Supreme Court found Mr. Ovcharov guilty of taking undue advantage of his authority in favour of a third person in the autumn of 1989, thus doing considerable damage to the state. Mr. Ovcharov will have to refund 8017,14 [figure as received] Swiss Francs, interest included, to the state for illegally arranging the university course of Todor Zhivkov's grandson in Switzerland.

The defendant can appeal the sentence to a Supreme Court Five-Member Panel within 14 days.

Yesterday Prosecutor Angel Iliev demanded a suspended sentence of less than three years for Mr. Ovcharov.

National Assembly Passes National Bank Bill

AU0606205091 Sofia BTA in English 2012 GMT 6 Jun 91

[Text] Sofia, June 6 (BTA)—Parliament today passed the National Bank Act under which the National bank of Bulgaria will become independent of government directions.

The new law provides for a two-tier bank system: An independent Central Bank and separate commercial banks and other lending institutions providing banking services to members of the public and the economy. The bank will be accountable to the National Assembly and is not subject to directions of the government or other state bodies. The National Bank will have the right to grant the cabinet three-month credits.

Under the new act, the National Bank of Bulgaria will publish monthly a statement of its assets and liabilities in the "OFFICIAL GAZETTE" it will submit a report to the National Assembly twice a year.

Quayle Arrives; To Meet Havel, Calfa

LD0606140591 Prague Ceskoslovensky Rozhlas Radio Network in Slovak 1300 GMT 6 Jun 91

[Excerpts] U.S. Vice President Dan Quayle and his wife have arrived in Czechoslovakia at the invitation of Vaclav Havel, president of the Republic. The guests were welcomed at Ruzyne Airport by Karel Schwarzenberk, head of the Presidential Office, and Shirley Temple-Black, U.S. ambassador to Czechoslovakia. The visit by the U.S. vice president to our country is part of his tour of Eastern European countries. This afternoon, Dan Quayle will meet President Vaclav Havel in Prague Castle, and then receive Federal Prime Minister Marian Calfa and Czech National Council Chairwoman Dagmar Buresova. [passage omitted]

Later today, U.S. Vice President Dan Quayle will attend an international conference organized by the Institute for Studies of East-West Security in Bardejov [eastern Slovakia].

Dienstbier on Treaty Talks With Genscher

LD0606175191 Prague Ceskoslovensky Rozhlas Radio Network in Czech 1000 GMT 6 Jun 91

[Text] Czechoslovak Foreign Minister Jiri Dienstbier held talks last night with his German counterpart, Hans-Dietrich Genscher. Jiri Halousek now reports on these talks:

[Halousek] The two foreign ministers discussed a wide range of issues: preparations for the meeting of foreign ministers of signatory-countries of the Helsinki Final Act that will take place in Berlin toward the end of June, the planned agreement on Czechoslovakia's associated membership in the European Communities, and various bilateral issues, including the most prominent issue, the preparation of the Czechoslovak-German treaty on good-neighborly relations and cooperation. In recent days and weeks the German side has been completing work on a similar treaty with Poland. Jiri Dienstbier and Hans-Dientrich Genscher agreed yesterday that it is now necessary to speed up the drafting of our mutual treaty.

I asked Jiri Dienstbier to assess the progress to date on this course:

[Begin recording] [Dienstbier] I would say that we are quite far along. Only some details remain to be resolved. I believe that Minister Genscher is one of those people who are interested in our opening the way toward our future cooperation above all.

[Halousek] Is it possible to deduce from this, as some German newspapers do, that Minister Genscher does not support the idea of representatives of the Sudeten German Landsmannschaft taking part in the talks in any way?

[Dienstbier] We have not discussed this issue, but we never discuss it, because this is irrelevant. We are discussing a treaty between Czechoslovakia and the Federal Republic of Germany, and we are holding talks at government level. I fail to see on what basis these talks should be attended by representatives of any kind of organization.

[Halousek] Will the German-Polish treaty, to be signed in two weeks, be a kind of example or model for the drafting of the German-Czechoslovak treaty?

[Dienstbier] We have coordinated with the Poles on the preparation of these treaties, and we are also coordinating with them on the preparation of other treaties, with the Soviet Union, for example, and so forth. Thus there is nothing unusual in this, this is the usual practice.

[Halousek] Would you like to estimate when our treaty with Germany will be concluded?

[Dienstbier] There is no sense in guessing, estimating—days or weeks—it depends on many factors, but we will strive for it to be ready by September at the latest. [end recording]

[Halousek] So much for my interview with Jiri Dienstbier. Immediately after the talks, German Foreign Minister Hans-Dientrich Genscher was rushing off to Copenhagen on business. So when I asked him to comment on the talks with Minister Dienstbier, he was able to answer only briefly:

[Begin Genscher recording in German fading into Czech translation] Talks with your minister are always constructive and good. [end recording]

Calfa Cited on Screening Process

LD0606100291 Prague Ceskoslovensky Rozhlas Radio Network in Czech 1600 GMT 5 Jun 91

[Text] Prime Minister Marian Calfa has made a statement on further proceedings in the issue of screening. He said that the law must solve the problem of compatibility of some persons holding governmental offices, including posts in courts and prosecutors offices, having a proven record of past membership in, or cooperation with the state secret service. The same should apply also to members of the apparatus of the Czechoslovak Communist Party who issued orders for the activity of the state secret police, and also to some categories of workers in the media.

Marian Calfa emphasized in his statement that the law must define precisely the method of screening, and also the protection of civil rights of those screened. The only possible solution is a law which would do away with doubts, erroneous conclusions, and undesirable impact on the public. The law should give a precise deadline for dealing with the current situation and for future proceedings.

Carnogursky on Constitution, Family Issues

AU0406143691 Prague LIDOVE NOVINY in Czech 3 Jun 91 pp 1, 16

[Interview with Slovak Prime Minister Jan Carnogursky by Jana Smidova; place and date not given: "Nations Will Get to Heaven"—first paragraph is LIDOVE NOVINY introduction]

[Text] Jan Carnogursky (46 years old, married, a father of four, and a qualified lawyer) has become the third Slovak prime minister in the short post-revolutionary period.

[Smidova] You, in fact, assumed power that no one else wanted. However, was this not—in view of the fact that a large number of Slovaks still support V. Meciar—more like a stroke of bad luck?

[Carnogursky] It may seem like that; however, I accept it as reality. If no one else wanted power, it was the Christian Democratic Movement's duty to assume it. Other opinions are also being aired, such as we did not assume power, but had it given to us. In the final analysis, it does not matter. I accepted the post as the only way out of the crisis. During our negotiations in the Slovak National Council [SNR], it became apparent that there is no alternative in Slovakia at the moment.

[Smidova] You have said several times that Slovakia does not lag behind the Czech Lands in introducing economic reform; however, its results are more painful for Slovaks. You, probably, will not eradicate them by "holding negotiations with Soviet generals?"

[Carnogursky] Certainly not. We are now making decisions that were put off. We now have several weeks to do what used to be done in years. We had to react immediately in modernizing the Ziar nad Hronom aluminum plant and in the further stages of the Gabcikovo project. Economic stability and political equilibrium are joint vessels that guarantee Slovakia's firm position in relation to the Czech Lands, the Federation, and the surrounding world.

[Smidova] Reform is one of the priorities of Slovak policy. The other is the state's legal arrangement. Your—originally singular—idea of a state treaty has, with time, become the view of all Slovak representatives. However, it has not yet been accepted in the Czech lands. Moreover, you are accused—despite giving assurances about participation in the Federation—of leaving the "back door" open for your departure.

[Carnogursky] This issue has two levels. Sometime in the future—I cannot specify its horizon now—Slovakia wants to assume an equal place in European integration. We do not want to follow a path toward breaking up the existing units, but a path leading toward Slovakia and the whole of Czechoslovakia evolving into the future Europe. The second dimension is more immediate. Following the talks in Lany, I have the feeling that the Czech and Slovak sides have different views about what in fact a treaty or agreement must consist of. Czech representatives are talking about an agreement between the Czech National Council [CNR] and the SNR on a joint legislative initiative toward the Federal Assembly; that is, they are talking about a tripartite legal act. We are pushing for a bilateral legal act between the two republics.

[Smidova] However, Czechs do not agree with this. They are pressing home the point about disrupting the continuity of the state's existence.

[Carnogursky] In Lany we did our best to meet these objections and suggested that, prior to concluding a treaty, the Federal Assembly should adopt a constitutional law—entitled, for example, "Concerning the Preparations for the CSFR Constitution"—that would bring the treaty into the legal code as one kind of form for the law. Parliament would authorize the councils to conclude such a treaty. I know that my opinion will not be too popular at home, since in Slovakia a different political philosophy prevails. However, this law would dispel doubts about the republic's legal discontinuity. I do not know why the Czech representatives did not accept this concept.

[Smidova] The CNR recently debated the "catastrophic variant," that is, the state's collapse. This provoked a very critical discussion in Slovakia, especially in the SNR. However, has Slovak policy during the past year not been a permanent presentation of the collapse variant?

[Carnogursky] In my opinion, this is a legitimate step taken by the Czech government. It must be prepared for all eventualities. It is a characteristic trait of Slovaks that, if we do not have to, we are not in the habit of drawing our ideas out as far as the operative details. Czechs, as a more Western nation, possess this trait, and I do not at all consider it bad. The Slovak government does not have such a crisis team.

[Smidova] What is your view of the problem of cooperation with State Security [StB], something that your brother has been accused of?

[Carnogursky] This business with my brother does not surprise me at all. Our entire family was under StB surveillance for years. Mr. Demikat, who made the accusation against my brother, has not mentioned any facts that we would not know about or anything that could cause harm or should remain secret. Of course, the way it was done is a chapter in itself.

In my opinion, society must be cleansed. However, it would be ideal if every case could be considered individually. Contemplating everyone's level of guilt is a fundamental trait of Christianity. Of course, it does not work in politics on this level, and it is necessary to determine specific categories according to which it is possible to proceed collectively. For this very reason, a certain hesitancy has been noticeable in our country. However, the SNR has now adopted a convenient solution. One of

the key points is a signature and another is an accusation against a specific individual based on their identification in the register of files.

[Smidova] Are you not made nervous by the rumors that Mr. Meciar has amassed documents of this kind about Slovak politicians that he may use to blackmail them? Is this matter being looked into?

[Carnogursky] The Prosecutor General's Office is investigating Mr. Demikat and the matter of publicizing and illegally possessing materials that should have remained secret and that he used against my brother and others.

[Smidova] Mr. Meciar is not being investigated?

[Carnogursky] I have not been informed that the authorities have conducted an investigation into him.

[Smidova] You are prime minister and your brother is the SNR first deputy chairman. This amounts to a politically powerful family that, moreover, has great economic influence in Slovakia. Is this not an excessive concentration of power?

[Carnogursky] I would not say so.... Take a look abroad. For example, the Kennedys....

[Smidova] Apparently, you are called the "Slovak Kennedys?"

[Carnogursky] (Prolonged laughter) Surely not. I would not like to have the kind of problems that Edward has today. But seriously, we were elected to our posts in a democratic manner and so many guarantees are enshrined in the system in which we operate that abuse of one's position is practically not taken into consideration at all.

[Smidova] Your brother is also the director of Hydrostav—the main supplier to the Gabcikovo water project. Your government will determine its fate....

[Carnogursky] Any kind of influence—for instance, on the basis of family ties—is out of the question. Gabcikovo is under international supervision.

[Smidova] Do you think you will live to see Slovakia in the position you would like it to be in?

[Carnogursky] I do not know. This does not interest me as a priority. My idea for the Slovak nation's autonomy is a vision for creating a Europe of nations whose practical operation I cannot, at the moment, define. The idea of a nation is very precious to me since it conceals massive potential for solidarity and other positive qualities that can only be stimulated on the basis of self-determination. I will present one argument that, perhaps, I will not fare well with in Prague intellectual circles: It is written in the Apocalypse of Saint John that at the end of the world nations will get to heaven and not, for instance, citizens, the CSFR, the European Community, or other units established by people.

Slovak Prime Minister Briefs Journalists

LD0406212591 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1630 GMT 4 Jun 91

[Report on a news conference held by Slovak Prime Minister Jan Carnogursky in Bratislava on 4 June—recorded]

[Excerpts] [Announcer] The government of the Slovak Republic was in session in Bratislava today. As we reported in the noon Radio Newsreel, among other things it has passed an order on exceptions during the transfer of state property to other persons. This enables enterprises to transfer to non-state organizations and physical persons such things which, from the point of view of their economy, have become superfluous, unusable, or which would be threatened by deterioration. What is involved, for example, are unnecessary stocks, transport means, and so on. In articles of gradual consumption it is to the value of 5,000 korunas [Kcs], in capital funds to the value of Kcs 25,000. As for transport means, these must be older than five years. The government also adopted material on fulfillment of and expenditure from the state budget in the first three months of this year. Prime Minister Jan Carnogursky briefed journalists about it in the lobby. Representing Radio Newsreel were Magda Pospisilova and Ludmila Bulakova.

[Carnogursky] It is known that expenditure from the state budget of the Slovak Republic for the first quarter of the year has resulted in a surplus, which in itself is naturally pleasing, but one must look at it realistically. This surplus was caused, above all, by saving on expenditure, because neither income nor expenditure from the state budget for the first quarter of the year has been fulfilled. But on the basis of an analysis of state budget expenditure in the first quarter of the year, the Slovak Republic has at its disposal, from its own sources, Kcs 3 billion in additional allocations for strengthening selected sections of the economy. On the basis of the submitted materials and the debate in the government, we have decided that the Kcs 3 billion will be divided in such a way that approximatley Kcs 1 billion will go to increasing wages in the sense of a general agreement, and Kcs 2 billion to strengthening some branches of the national economy and the non-production sphere. As for the national economy, it will be, above all, the building industry—in the non-production sphere, it will be health care and education.

[Reporter] Mr. Prime Minister, are you considering in this connection a reduction of restrictions?

[Carnogursky] Not really.

[Reporter] The economic council of the government at its last session did not recommand submitting a report of the minister of building industry on the situation in the building industry. Despite all this, in the end it did recommend briefing the government about what the situation is. You said that some money will be available for the building industry. How much will it be, and what will it solve, when you say that there will be 80,000 unemployed?

[Carnogursky] In the end we solved it in a clever way, because we registered a report by the minister of the building industry as a report on the existing situation in the building industry. As to the measures aimed at the building industry, they are or will be a part of the measures approved on the basis of the previous report by Slovak Deputy Prime Minister Anton Vavra. That is why we agreed that the draft measures from this report by the minister of the building industry will not be adopted for the time being. The minister of the building industry will, however, equally and at the same time, be a member of the commission which this week will prepare draft measures for adoption, I hope, at the next session of the government. The commission will also include measures aimed at the building industry.

[Reporter] Mr. Prime Minister, you recalled today from the Slovak government Deputy Minister of Foreign Affairs Zelenay.

[Carnogursky] Such material exists. So far, it has not been discussed by the government, but it is on the agenda of today's session.

[Reporter] Many put this recall in connection with certain political purges. Is it not so?

[Carnogursky] One cannot call it a purge, because the word purge has a very precise content and meaning in relation to the past regime. Look here. Deputy Minister of Foreign Affairs Zelenay is involved—I do not know if he does not even have some post there—in the Movement for Democratic Slovakia, which has proclaimed itself an opposition movement or party. It would naturally be absurd if a front-ranking member of an opposition party was, at the same time, a deputy minister. Naturally, you understand it is quite difficult to imagine. But at the same time it cannot be called a purge. The government is simply composed on the basis of a certain political platform. This political platform is based on some kind of, let us call it philosophy, about the activity of the government, and if someone is not internally identified with this philosophy he cannot fulfill the duties which stem from the activity of the government. That is, of course, natural.

[Reporter] When will the seat of the finance minister be filled?

[Carnogursky] This is, above all, a question of a political agreement between coalition partners, so this is not being solved at the session of the government.

[Reporter] But of course you, as prime minister, know it, do you not?

[Carnogursky] Certainly. I just wanted to avoid the question. Tomorrow there will be another round of coalition talks. [passage omitted]

[Announcer] The government of the Slovak Republic also discussed some personnel issues, and recalled from office Dr. Roman Zelenay, the deputy foreign minister of the Slovak Republic. It also recalled from office, at his own request, Ladislav Klinko, deputy minister of agriculture and food of the Slovak Republic.

Let us return to today's news briefing, which was also about some trade problems between the Czech and Slovak Republics.

[Reporter] Mr. Prime Minister, Minister Chren [Slovak minister of trade and tourism] recently announced a reduction in the price of electrical appliances and consumer goods. The Czech side in particular has been reacting very critically in the last few days to this statement. Let us quote: Minister Stepova said that the idea that Czechoslovakia will substantially reduce prices is mistaken. It is described as a Danae's gift to workers, a criminal attack on the reform, Slovak socialism, and so on. What is your view? Was it really only an initiative by Minister Chren, or will the Slovak government also take a standpoint on this?

[Carnogursky] The government has not dealt with this problem so far, and Minister Chren, if he announced such a measure, announced it in particular on the basis of measures taken up by the trade sector. This means a reduction in the trade markup of trade organizations. It is fully in his power to do so, and the Slovak government will not interfere with this, and the Czech government has even less right to do so.

[Reporter] Yes, but Mr. Vavra, deputy Slovak prime minister, said that a 30 percent reduction is unlikely, and that this cannot be done on the basis of the reduction of trade markup.

[Carnogursky] It is possible that it will not be as much as a 30 percent reduction. But it is really an affair of Mr. Minister Chren, who is responsible for his sector before the government and before the Slovak legislature, and eventually before the Slovak public as well. I would leave the concrete percentage to him. So far, it is not a problem on such a scale; it is still not a political problem to make the government deal with it. If, however, it grows into such a problem, then naturally the government will deal with it.

Slovak Party Chairman Rules Out Federative State

LD0606213591 Bratislava Ceskoslovensky Rozhlas Radio Network in Slovak 1000 GMT 6 Jun 91

[Interview with Slovak National Party Chairman Jozef Prokes by Bohus Gecy on 6 June; place not given—recorded]

[Text] [Gecy] What is your view of the talks in Budmerice? What have they produced? What was their

positive aspect? And, in your view, where is the certain divergence of views on the future composition of our federative republic?

[Prokes] I expressed one basic idea there. If, and I stress if, we are to live in a common state, we must answer the question, why. No one answered this question. I realized then, or rather I explained this response to myself, that none of the participants know the answer to this question. This in fact casts doubt on the entire purpose of pursuing a common statehood. There was also a great difference in the views held by the Czech representation and the Slovak representation on the principle on which a common state should be formed in the event that it should exist. The Czech representation resolutely pushed for a civic principle, while the Slovak representation, with the exception of the Egguytteles [Coalition] grouping, pushed for a national principle.

What is the essence of this substantial difference? Its essence is that if we had insisted on the civic principle from the very beginning, then there would have been no reason for the rise of the Czechoslovak state, because it was, in fact, national oppression in Austria-Hungary that compelled us to get together with the Czech nation, since neither of us was capable of separately gaining independence or getting out from Austria-Hungary. But immediately after we extricated ourselves from this Austro-Hungarian bondage, one side forgot the reason that promoted this situation.

[Gecy] As far as the interpretation of what happened in Budmerice is concerned, this interpretation is fairly different. Presidential spokesman Michal Zantovsky, Vaclav Havel, the president of the Republic himself, and also Federal Deputy Prime Minister Rychetsky have said that the Slovak National Party stands for a federative setup, although with a question mark. What was your view of this afterward? What did you say, in particular after you found out that you actually received no answer to the question of what is the purpose of continuing to live in the Federation, and what benefit will either party reap from this?

[Prokes] It became quite clear to me that this formation is artificial, and that there is no sense in keeping it afloat. My pronouncement on this was very straightforward. I said that the Slovak National Party will not abandon the demand for the Slovak Republic to be a subject of international law. This automatically rules out a Federation.

[Gecy] Does this mean a breakup of the Federation, and forming an independent Slovak Republic?

[Prokes] I personally and my party are convinced that this is the best way of achieving or safeguarding the development of the Slovak Republic. I would like to go even further and say that we will be able to help each other more through cooperation between two independent Slovak and Czech republics than by staying in this common state where mutual frictions are unnecessarily arising because of various intereferences into the powers. This is the only way of finding a reply to the question, what is the advantage of this common state, which no one has answered to this day. It might quite easily turn out that this advantage is fictitious for the republics, and that it is advantageous only for Federal officials, who will thus preserve their own positions.

[Gecy] What is your view: Will the Slovak legislature be able to adopt a constitution by the set deadline?

[Prokes] I remain optimistic and I believe that it will.

Communist Party of Bohemia Has 430,000 Members

AU0606123091 Prague CTK in English 1709 GMT 4 Jun 91

[Text] Prague June 4 (CTK)—The Communist Party of Bohemia and Moravia has 430,000 members, according to a survey of its membership taken a month ago, Party Chairman Jiri Svoboda told a press conference here today.

Party press spokesman Petr Vilhelm warned that current efforts to expand the range of people to be screened for possible past collaboration with the former StB secret police may result in the disintegration of society.

Asked whether it was not a mistake to have the screening process focus on the StB, thus ignoring the question of political responsibility on the part of members of the former Communist Party leadership, Svoboda said, "wherever it is proved that power was misused in violation of the Constitution and the law, means must be sought of punishing the culprits, be they StB members, secret collaborators, or their political superiors".

Goncz Requests Western Assistance at Bardejov

LD0606211991 Budapest MTI in English 1950 GMT 6 Jun 91

[Text] Bardejov, June 6 (MTI)—"Eastern Europe awaits a clear reply from the West as to when, how and in which areas it can count on assistance?" This question was how Arpad Goncz, president of the Republic of Hungary, began his address at the international conference organized by the New York-based Institute for East-West Security Studies, in progress in Bardejov, eastern Slovakia.

The theme of the conference is how Western Europe can promote the nearing of Eastern Europe.

Postponing a unanimous reply and additional empty promises are unbearable and humiliating for us, Goncz said at the conference, which is attended by some 500 prominent heads of state, economic experts and businessmen from both the East and the West. The Hungarian president justified his raising the issue in this manner by the lessons of 1956, 1968 and 1981: "When Hungary, and then Czechoslovakia and Poland made determined attempts to liberate themselves from an ideology and its Stalinist practice, the West, which pretended to be regretful and even generous earlier, became frightened, probably because the time had come when it had to prove its often declared generosity in practice.

"Hungary does not ask for aid, but assistance. It needs money to modernize its economy. We offer business opportunities to you, probably the most profitable and most secure business opportunities of the decade. I am convinced that our region is the most reassuring and most promising region as compared to other parts of the world, with respect to capital investment", Goncz said.

The president also said Hungary and the other countries of the region hope that the export obstacles raised in the West will be dismantled. He stressed Hungary does not ask for privileges and advantages, it simply hopes to enjoy the same benefits that it provides to its trading partners, Hungary having liberated 92 per cent of its imports.

Goncz noted east Europe will not sit idly and wait for external assistance, but it does need assistance as its current situation conceals a dangerous trap. For the time being, democracy has resulted in the deterioration of the living conditions of many in the region. It is also in the interest of the West that this picture change.

In the end, the president—most probably referring to the Soviet Union—stressed no one should be excluded from the Europe of the future. In his words: "Those who were excluded from the life-boat full of those already rescued eventually turned the boat upside down in their eagerness to get in."

Kadar Hails Benefits of OECD Membership

LD0706055791 Budapest MTI in English 1817 GMT 6 Jun 91

[Text] Budapest, June 6 (MTI)—Hungary's associated membership of the OECD can speed up the restructuring of the country's economy and improve its efficiency, Hungarian Minister of International Economic Relations Bela Kadar said on Thursday [6 June], on his return from Paris, where he had signed a memorandum on co-operation between Hungary and the OECD. Hungary is aiming for fully-fledged membership, which can probably be realized in 3-4 years, before Hungary's admission to the EC. Until then, Hungary can contribute to the working parties of the OECD with an observer status. In the OECD's view, which is close to Hungary's position, the right way towards the restructuring of the Hungarian economy is not by shock therapy, but by a more gradual transformation, it was stated at the press briefing. In the course of his stay in France, Bela Kadar held talks with several members of the French Government. In the talks, the sides agreed that Hungarian-French relations had taken a favourable turn, the first for a number of decades. The French side expressed its wish to be present on the Hungarian market with more investments, mainly in the development and construction of undergrounds and railway lines and in the field of energetics.

Kadar on Centralist Versus Liberal Views

AU0706074291 Budapest NEPSZABADSAG in Hungarian 4 Jun 91 pp 1, 8

[Interview with Bela Kadar, minister for international economic relations, by Peter Dunai; place and date not given: "Differing Views on Situation—Bela Kadar on the 'Kadar Versus Kupa' Question"—first paragraph is NEPSZABADSAG introduction]

[Text] Are there two different trends within the government, one that advocates a direct and pronounced state interference and central control (the Ministry of International Economic Relations), and another that holds a liberal view and is inclined to apply the Polish "shock-therapy" (the Finance Ministry)? The Ministry of International Economic Relations [NGKM] recommends the state subsidize companies that struggle with problems of foreign markets. Would this preserve the old and uncompetitive structure? Will we lose our Eastern European markets? Do we need the World Expo, in spite of Vienna's decision? Our correspondent interviewed Bela Kadar on these issues.

[Dunai] What are your plans in this externally and internally complicated situation?

[Kadar] Our ministry prepared its foreign economic strategy last summer [1990], which is a concept for concurrent changeover of the economic model and the markets, and this concept was partially built into the subsequent Finance Ministry program and into the Kupa

program in 1991. We attempted to separate reality from illusion by combining world market requirements with our present potential and with our country's productive capacity. We liberalized imports (more than 90 percent of our imports have been liberalized since January 1991). We introduced an export control system that is recognized in the West, too. This served as a basis to reduce the COCOM list and the number of prohibitions. We set up the Agency for Capital Investment and Trade Development, a ministerial organ necessary for administering Western aid. We operate a trade development fund as a result of a National Assembly decision. We are negotiating with the Common Market, the European Free Trade Association, and the OECD. It is also our responsibility to lead negotiations in connection with the termination of CEMA and the formation of the framework for future regional cooperation, and to set up a new system of payments and accounting in Eastern Europe. Apart from all this, the government will have to take a more active role to help accelerate the changeover of markets by companies that find themselves in a difficult situation due to the Eastern European crisis, and to support the exporting companies.

[Dunai] Would this preserve the old structures and artificially maintain the unviable companies at public expense?

[Kadar] The collapse of Eastern European trade presents a great challenge to some Hungarian companies, and we need special government programs to facilitate a quick change of their products. Other countries (the previous GDR or Poland) that are converting to a market economy also operate funds for changing the structure or the markets. Last summer, the NGKM proposed to improve the competitiveness of exporting companies by establishing an export credit guaranty system. It is a constitutional obligation of the minister for international economic relations to promote the competitiveness of Hungarian products and to help set up an adequate product basis, because these affect the nation's economic security, growth, and the employment situation, too. I advocate including export orientation in the government's program; at the same time, the finance minister is responsible for the fiscal balance and the coordination of our economic policy.

[Dunai] Is this all that is in the background of the Kadar-Kupa conflict?

[Kadar] The differences of opinion between the finance minister and me are not centered around the character of our economic management; this is not a conflict of central state control versus liberal views. We simply judge the domestic and foreign markets differently on various occasions. For example, in my view, the changeover to new forms of cooperation (with the Eastern European countries) would have required a transitional period. It is difficult to have a market-oriented cooperation with non-market countries (like the Soviet Union). The question of the fund for changeover of markets, which was prepared by the NGKM and rejected by the government in 1990, is still on the agenda. This is not a new central demand; the debate is not over our ministry trying to get hold of money.... We suggested putting 10 billion forints into the fund for market change, which is 0.4 percent of our gross national product. Furthermore, the NGKM suggested modernization of the export credit guaranty system. At last, the Ministry of Finance undertook to establish this system in conjunction with the Hungarian National Bank. We almost lost a transaction to export buses to Iran because of the lack of a guaranty fund.

[Dunai] Should it not have been the other way around, namely that Iran should have guaranteed their payment for the buses, considering the confused conditions in that area and in Tehran?

[Kadar] They wanted a guaranty that the Hungarian partner would fulfill its obligations in order and deliver the buses. This is customary in international trade. After all, it is Iran who made an advanced payment.... The sale of 2,000 buses was at stake.

[Dunai] How much decline do you expect in our traditional Eastern European markets this year?

[KAdar] Our trade with the Eastern European countries could fall by as much as 50 percent. Previously, the Finance Ministry predicted a 15 to 20 percent fall for 1991, but they are also inclined to accept a 50 percent fall now. If this happens, it will influence the pace with which our government program is implemented. In addition, who can predict what the future might bring in the Soviet Union? Even Moscow itself is unclear about how to handle the Eastern European problems. We also do not know what we can adjust to. I have negotiated with the Soviet economic leaders five times since autumn 1990. Nevertheless, even economic diplomacy cannot perform wonders.... By the end of April 1991, Hungarian exports reached $200 million.

[Dunai] The Soviet Union does not pay, though....

[Kadar] It is true that Hungary is in the lead by four to one in the opening of letters of credit. We paid them $400 million, and they paid us $100 million. The other $100 million (out of the $200 million) is a cash saving transaction. The value of Hungarian exports to the Soviet Union will be around $1 billion to $1.5 billion in 1991, although Hungarian exports worth only $1.7 billion were registered on the indicative lists at the end of last year. The converted value of our transactions in 1990 is $3 billion. This decline could cause a crisis for the affected companies. The 31 percent increase in our exports accounted in U.S. dollars in the first third of 1991 might ease the problems.

[Dunai] Is it possible that the upsurge in our exports in U.S. dollars will last, and our better than expected foreign trade balance in 1990 will continue?

[Kadar] Approximately 40 percent of last year's results were due to our measures to encourage exports. For example, the German market's capacity to absorb goods also had a strong affect.

[Dunai] Did the Germans increase their purchases in Hungary partly out of political considerations, as some kind of aid?

[Kadar] No, they did not. An increased demand resulting from a boom in the market was behind the German purchases. Liberalization also improved Hungarian competitiveness in Western markets. New exporting companies emerged. There were only 1,800 companies engaged in foreign trade in 1989, 12,000 companies in 1990, and there are 20,000 such companies at the moment.... Economic pressure also had an effect. All those who had competitive products took them to the market.

[Dunai] What do you expect this year?

[Kadar] The momentum in exports ran through to this year, but I would warn you not to overestimate this fact. Imports will increase due to the liberalization of imports, and our foreign trade balance might deteriorate. The increase in our imports is already faster than the increase in our exports.

[Dunai] Regarding working capital from abroad, as much as $10 billion to $15 billion would be needed by Hungary according to some Western opinions.

[Kadar] These figures are unfounded. Hungary's realistic capacity to absorb capital is around $1 billion to $1.5 billion a year at the moment. Working capital worth $500 million entered Hungary in 1990, and we expect $1 billion in 1991. Already capital worth $200 million arrived in Hungary in the first quarter of 1991. Still, this is a long road. Assuming an 8 percent annual growth in the GDP [gross domestic product], we would need 15 years just to catch up with Spain.... The World Expo would also help establish a modern infrastructure.

[Dunai] Do you support the Expo even after the "no" by the Viennese?

[Kadar] Yes, we must carry on with this. The Austrians are in a different situation. The World Expo would overheat their economy. In our case, it is this growth and bustle that is missing.

[Dunai] You are talking about building an infrastructure. Do you think that the World Expo would take away resources from that and concentrate them in a relatively small geographic and economic area, which is Budapest?

[Kadar] No, I do not. A modern infrastructure could be developed in five years. It would entice foreign capital that serves modernization to enter Hungary; it would establish Hungary as an Eastern European bridgehead; and it would accelerate our return to developed Europe.

Industry Minister Reviews Year in Office

AU0606133791 Budapest MAGYAR HIRLAP in Hungarian 4 Jun 91 p 8

[Interview with Industry and Trade Minister Akos Peter Bod by Miklos Z. Hajduska; place and date not given: "I Did Not Play in the Popular Points"]

[Text] [Hajduska] In your opinion, what were the successes and failures of the past year?

[Bod] I can list the same three or four things. I regard the direction of these processes as a success, and their speed as a failure. There is no good and bad point. I have a strategic strategy in my mind and considerable successes, as well as a sense of failure are connected to this. Even if it sounds commonplace, this strategy is a modern market economy based on private property, with Hungary an organic part of the world economy. The change in ownership relations is a long process of three to 15 years, and the change in technology cannot be carried out in a short time, either. However, a change in style and the reevaluation of the relations between government institutions and people engaged in economic activity were tasks that had to be solved in the course of one year following the change in the regime. In my view, our greatest success is the fact that our reorganized ministry already shows the signs of the activity of a modern functional ministry. In other words, our ministry does not intend to interfere in affairs in which possible conflicts can be solved at the level of various people engaged in economic activity.

[Hajduska] Public opinion only noticed that you do not interfere in many things....

[Bod] There are two types of criticism leveled at our ministry. One, that the ministry does not interfere in many things and leaves the enterprises alone, although our economic situation would require this. Others accuse me of interfering, appointing ministerial commissioners, dismissing people, and interfering in the course of privatization. There are a lot of expectations. The enterprise leaders who demanded independence are expecting our ministry's help when they encounter the first problem. This also applies to the employees because, if there is a conflict between the trade unions and the enterprise leadership, I know about this more quickly that the people involved. Even foreigners tend to turn to the ministry because issues that could be solved at the level of economic directors are brought to the trade minister, or even to the prime minister.

[Hajduska] Do you think that you made a mistake when you first agreed to participate in the talks held with the miners' workers councils?

[Bod] It would have been a mistake if bodies that represent interests had been on both sides. In this particular situation, the government was the only legitimate partner because neither the employees nor the employers have gone through the purification expected

by the society. Therefore, there was hardly anyone to talk to and reflexes were stronger than the need to seek a partner. However, I do not want the elegant way of standing at a distance. What I want is an "arm's length" adequate to the British public administration philosophy. This is necessary all the more so because there is a strong pressure to intervene, and there is also some nostalgia for "administrative measures" in the reorganized ministerial apparatus.

[Hajduska] Has your role been clarified already? One does not need a ministry to leave the enterprises alone.

[Bod] A private economy also needs ministries; these functions will increase here along with the tasks of initiating restructuring.

[Hajduska] In view of the fact that most of our population have not yet lived in a private economy, would you formulate these functions?

[Bod] Most of the people who make decisions, and even a greater part of entrepreneurs have not yet lived in a private economy, either. Our industrial policy is focused on a thorough analysis of these trends. We need a privatization and structural strategy, an area development concept, a human policy, training, and retraining program, and a central concept on how to achieve technological development and how to improve our competitiveness. Our customs policy, subsidies policy, and the assertion of professional viewpoints are part of all this. For a long time, we no longer speak about an industry ministry, although, in our internal logic, we have not yet fully transformed into an economic ministry.

[Hajduska] Your functions are clear, but what results have you achieved so far?

[Bod] We have achieved results in restructuring, results that we not only did not expect but would have been exaggerated even as election promises. Such an extent of reduction in subsidies for the Hungarian industry, building industry, energy, and domestic trade is unique in Eastern Europe, but it would have been difficult to imagine such a reduction in such a short time in any other part of the world too, without major upheavals. At the same time, only 57 percent of our industrial exports in 1989 were accounted in convertible currency, while this percentage increased to 70 percent in 1990. We managed to reduce personnel by 20-24 percent in the sectors with the smallest prospects of growth, like metallurgy and coal mining. The fact that our industry's energy consumption dropped by 13 percent also shows the start of modernization and restructuring. However, the aforementioned drop in energy consumption includes the decrease in economic boom as well as a drop in specific material consumption.

[Hajduska] Meanwhile, industrial output also decreased considerably....

[Bod] The initial phase of restructuring is inevitably accompanied by this. However, one should also notice the fact that some state enterprise leaders prefer to tolerate production decrease, stagnation, and loss of markets, rather than seek internal ways to change and to renew at a higher speed. They prefer to blame the economic regulators that no longer exist. Therefore, we already have restructuring at the macroeconomic level, but problems abound at the microeconomic level, although nobody would have dared to predict such an increase in our engineering industry exports.

[Hajduska] However, the first year of the current government in office has been disturbed by threats to strike, petitions, and demonstrations.

[Bod] Nevertheless, I regard the relative calm of leadership changes and changes in industrial structure as an achievement. The reduction of personnel in coal mining industry, the total collapse of CEMA, the increase in exports—which so many people outside this ministry are proud of—as well as the change in the position of various areas took place without an imminent social trauma of which the Hungarian people have been constantly warned. Naturally, the various bodies that represent interests carried out some legitimate actions, but no upheaval took place, and we succeeded in finding the narrow path of balance. This is an achievement in any case, even if not exclusively a government achievement, but also an achievement of the nation's tolerance and political culture.

[Hajduska] Several government members "sparkled" a lot in the course of this year. Akos Peter Bod has been called a "piano mover." As we know, this term is used to describe someone in a soccer game who carries out the coolie's work, but he is not the one who dictates the game's style.

[Bod] This comparison does not hurt me at all because, when I used to play soccer, I never played in the popular positions; as a musician, I also played in the rhythm section that gives the basis for the band's performance. Obviously, I never looked for a chance to glitter. Our ministry has to cover a huge area under great psychological and physical pressure. If something goes wrong, entrepreneurs, managers, foreigners, and even employees come to us.

In this situation, we can only strive to carry out our activity under peaceful circumstances, to the extent that conditions allow it.

[Hajduska] In other words, you deliberately accepted obscurity?

[Bod] I would not call it obscurity, because this activity is extremely multifaceted. One has to find one's way, tone, and method to deal with a lot of different people and issues in a very short time. I would not say that, when necessary, I did not express my opinion in preparing decisions or in public. I ceased to be a researcher on 23 May 1990, and I am trying to use my openness to

practical things in this job. Achievements, rather than occasional "glitter" will rate us. Besides, I read somewhere that one learns quickly until the age of 40. I still have four weeks....

Agricultural Minister on Calls For Resignation

AU0606112791 Budapest MAGYAR HIRLAP in Hungarian 5 Jun 91 p 3

[Interview with Minister of Agriculture and Food Elemer Gergatz by Sara Pogany; place and date not given: "Elemer Gergatz Will Remain in His Position"—first paragraph is MAGYAR HIRLAP introduction]

[Text] In recent times, Elemer Gergatz has come under increasing criticism within his own party [Independent Smallholders' Party]. Moreover, calls have been made for Gergatz' resignation both within and outside the Independent Smallholders' Party [FKgP]. We asked the minister about the reasons behind these calls.

[Pogany] Minister Gergatz, what do you think lies behind these attacks?

[Gergatz] There were calls for my resignation at the FKgP meeting in Szabolcs-Szatmar County, and more recently in Vas County, and the motivation seems to have been that I do not sufficiently represent FKgP interests. Some FKgP leaders also tried to imply this. I would like to add that these comments were only made by the party's extremist wing. At the same time, I have to say that nobody has confronted me directly to tell me what it is they object to in my work or why they are demanding my resignation.

[Pogany] Perhaps somebody in your party covets your ministerial post?

[Gergatz] I do not know, but if that is the case, then I would like to tell that person that he does not know what he is letting himself in for.

[Pogany] I have heard from other sources that your main crime seems to have been to appoint experts to the Agricultural Ministry's key positions....

[Gergatz] I would not deny that. When I agreed to hold this position, I made it my basic principle to appoint experienced professionals to all sectors of the ministry. I will not give up this fundamental principle. In fact, it is an open secret that I intend to strengthen the current leadership of the ministry with some more experts so the ministry can work efficiently. Being a minister is not a question of life and death for me because I have a profession to which I would like to return as soon as possible. Several of my important experiments in the field of animal health and animal husbandry have been left in limbo.

[Pogany] So you will not resign?

[Gergatz] No. I see no reason to resign.

[Pogany] What you have said to me indicates that there are other people urging you to resign.

[Gergatz] Yes, the corn lobby seems to think along those lines. We have conflicting interests because the current world market price for 100 kilograms of wheat is 550 forints. Consequently, I do not understand why the corn lobby sells its wheat for 700 and 900 forints on the domestic market—moreover, the corn lobby would rather export state-subsidized wheat than sell it cheaper at home. I have been and continue to be a production supporter.

[Pogany] When will there be a compensation law, and when will the new cooperatives and land bill be submitted to the National Assembly?

[Gergatz] As far as I know, the National Assembly will be able to deal with the anti-constitutional provisions of the compensation law before its summer recess. So the compensation law should enter into force in autumn, and consequently, we can expect the new cooperatives and land bill to be submitted in autumn as well.

Walesa Refuses To Sign Sejm Electoral Law

LD0606142791 Warsaw TVP Television Network in Polish 1400 GMT 6 Jun 91

[Text] Lech Walesa will not sign the Sejm electoral law. In a letter to the Sejm and Senate speakers, the president states that the law is extremely complicated and unclear, that it hampers the organization of a normal political system based on parties in Poland, discriminates against the Catholic Church, and also contains many important legislative mistakes.

Lech Walesa expects the presidiums of the Sejm and the Senate to delegate representatives who will cooperate with representatives of the Presidential Chancellery in speedily drawing up a new draft electoral law.

The Senate Presidium and the Sejm Convent of Elders will discuss the president's letter this afternoon.

Walesa's Move Explained

LD0606173491 Warsaw PAP in English 1636 GMT 6 Jun 91

[Text] Warsaw, June 6—Reacting to President Walesa's letter concerning the new election law, the Sejm decided that the chamber's speaker will reply today to the president's letter inquiring whether it should be treated as a presidential veto.

Meanwhile, spokesman for the president Andrzej Drzycimski said that the letter does not mean a presidential veto in respect to that law. It can be treated as the last attempt to give the law a desired shape.

Sending the letter to speakers of the Sejm and Senate, the president wanted to decisively confirm the October date of the parliamentary elections and to activate the drafting of a modified electoral law in cooperation with the presidential chancellory, the spokesman added.

No Barriers to Start of Soviet Troop Transit

LD0606203491 Warsaw Radio Warszawa Network in Polish 1800 GMT 6 Jun 91

[Text] There are no legal or formal barriers to the beginning of the transit through Poland of the Soviet Armed Forces being withdrawn from the FRG, the Ministry of Foreign Affairs says.

A draft of the relevant agreement between Poland and the Soviet Union has already been more than 90 percent agreed upon, and decisions which have not yet been made are not of any crucial nature. That is why Polish authorities gave their consent a month ago for the transit of military rail transports through Poland to begin, even before the signing of the agreement.

Officials Meet on New Soviet Friendship Treaty

LD0706055291 Warsaw PAP in English 2038 GMT 6 Jun 91

[Text] Warsaw, June 6—Polish and Soviet experts held another meeting here on Thursday [6 June] to draw up a new treaty on friendship and good neighbourly relations between Poland and the Soviet Union. The talks concerned, among other things, international security issues, the Foreign Ministry has announced. The Polish side was headed by the deputy director of the European Department in the Foreign Ministry—Grzegorz Kostrzewa-Zorbas, while the Soviet by Lev Klepacki, minister plenipotentiary of the Soviet Embassy in Warsaw.

Cooperation Agreement Signed With Ukraine

LD0606221591 Warsaw PAP in English 1459 GMT 6 Jun 91

[Text] Warsaw, June 6—Visiting delegation of the Ukranian State Committee for Architecture, Construction and the Protection of Historical Sights and Polish Ministry for Regional Planning and Construction signed an agreement on direct cooperation here on Wednesday.

The document provides for the exchange of information, joint regional planning in border regions and the export of construction services.

Vice President Quayle Addresses Krakow Symposium

LD0606102891 Warsaw PAP in English 0935 GMT 6 Jun 91

[Text] Krakow, June 6—U.S. Vice President Dan Quayle, now visiting Poland, said here Thursday [6 Jun] the U.S. would open its markets to products from Central and Eastern Europe as broadly as possible, and called on EC states to do the same.

Addressing participants in the Krakow CSCE symposium and representatives of Krakow authorities and community here, Quayle also assured them that the American people is determined to help peoples of Central and Eastern Europe to develop democracy.

Visits Auschwitz, Krakow, Departs

LD0606212291 Warsaw PAP in English 1452 GMT 6 Jun 91

[Text] Krakow, June 6— U.S. Vice-President Dan Quayle together with members of his family and other personalities accompanying him wound up his visit to Poland Thursday afternoon [6 June] and left Krakow for Prague bidden farewell at the Balice Airport.

On the second and last day of his visit Quayle attended Thursday morning a plenary meeting of delegates to the CSCE symposium on cultural heritage in Krakow.

Quayle next went to the site of the former Nazi death camp of Auschwitz-Birkenau in Oswiecim-Brzezinka,

some 50 km west of Krakow, where he laid flowers at the death wall, the pavilion No. 27 where an exhibition of holocaust is on show, and at the international monument to Nazi victims.

He visited an exhibition of memorabilia and shocking evidence illustrating Nazi genocide and the trial of the butchers of Auschwitz.

He was also shown 10 suitcases, some of those which Germans had taken away from Jews killed in gas chambers, which will be now borrowed for 5 years by the Holocaust Memorial Museum in Washington.

Skubiszewski Hopes Aid Will Restore Soviet Trade

LD0706054791 Warsaw PAP in English 2154 GMT 6 Jun 91

[Text] Warsaw, June 6—Poland attaches primary significance to the reconstruction of trade and industrial cooperation with the Soviet Union, Polish Foreign Minister Krzysztof Skubiszewski said at a meeting with EC ambassadors and head of the EC Commissions delegation in Warsaw on Thursday [6 June]. Poland hopes that the EC assistance for the USSR will help restore trade relations between the Soviet Union on the one hand and Poland, Czechoslovakia and Hungary on the other. If assistance for the USSR takes the form of financing Soviet imports of goods and services supplied from Central and East European countries, this would undoubtedly have a favourable impact on economic cooperation in the region, the Polish minister said. The minister also pointed to negative effects entailed by the collapse of trade between Central and East European countries and the Soviet Union.

Failure To Join Europe May Prove 'Dangerous'

LD0706051191 Warsaw PAP in English 2240 GMT 6 Jun 91

[Text] Bardejov, June 6—Polish Prime Minister Jan Krzysztof Bielecki told an international conference on Western aid for European post-communist countries in Bardejov, Slovakia, that still existing barriers, chiefly of psychological type, prevent larger investment in this part of Europe. What the Polish people need most at the moment is hope and clear prospects, the prime minister said explaining that Poland's possibly quick admission to the EC is a symbol of this hope. "This cannot be an illusion. We expect concrete steps. If we fail to join Europe, it may be highly dangerous for the whole of the integration processes on the old continent. If we succeed, the unification of Europe between the Atlantic and the Urals will come true," Bielecki said. The conference was organized by the East-West Security Institute of New York (with a branch in Czechoslovakia) whose working group is studying the purpose and forms of assistance, which in many cases never reaches its destination or is used for purposes other than intended.

Defense Minister Kolodziejczyk on Mood in Military

AU0606132591 Warsaw POLSKA ZBROJNA in Polish 3 Jun 91 p 2

["Main points" of report delivered by Defense Minister Kolodziejczyk at a meeting of the Council of Ministers in Warsaw on 31 May]

[Text] The drafting of the bill on pensions was based around key parameters that were set by the government and all the parties concerned. The new provisions are the subject of keen interest on the part of the military community.

Lately, the mood among professional soldiers, their families, and other military employees has been rapidly growing more pessimistic. The reasons behind this negative phenomenon are: a drop in real wages in the Army, as well as the curtailment of welfare benefits; military technology that is quickly becoming rundown and outdated; cutbacks in expenditures on training that are so substantial that they have reached a dangerous level, and an annoying shortage of barracks and housing. These things, especially at a time when the military is undergoing a process of reorganization, erode feelings of career security and make the future seem uncertain.

The departure of some of our most valuable military personnel is a phenomenon that is on the increase, and there has been a marked drop in the number of candidates seeking admission to academies. The nature of military service is such that it requires constant availability (a readiness to perform military tasks without regard to time, place, weather, or living conditions) without the right to additional pay or compensatory leave, numerous moves (on average five to seven times in a military career), restrictions on civil rights, and the limited value in civilian life of the training obtained in the military.

A further disturbing trend is the low number of candidates seeking admission to officers schools that have a strictly military character, that is to say, those schools that need the best students from the defense point of view. The negative effects of this might affect the quality of our military personnel for many years to come. At a time of underinvestment in military technology, at least the selection and training of personnel should not arouse any reservations. Our neighbors in the East and the West do not have these problems: They train candidates who have been carefully selected and possess all the necessary qualities for military service, and the number of candidates markedly exceeds the number of places in military academies.

One of the things that has had a profound effect on the mood among professional soldiers are the proposed

changes to the military pension system. The proposed measures, which would reduce the current level of benefits, were received with great disappointment, because they were seen as failing to take account of the particular nature of military service or the principle, recognized throughout the world, that military service should be appropriately rewarded by, among other things, advantageous pension provisions, and finally, the measures do not take account of the principles governing this subject that have evolved over time.

The defense department is ready to introduce a new model Armed Forces. This should be carried out resolutely and quickly, because the present standstill increases the feeling of frustration in the military. I therefore propose that a Council of Ministers session be devoted to military and defense matters as soon as possible and that the Sejm be asked to consider, at the earliest possible date, bills concerning national defense and the functioning of the Armed Forces, and thus provide the legal foundations for a reform of the defense system.

Barladeanu Comments on Dijmarescu Statement

AU0606123291 Bucharest ROMPRES in English 1817 GMT 5 Jun 91

[Text] Bucharest, ROMPRES, 5/6/1991—At the end of the Wednesday [5 June] session of the Constituent Assembly, Alexandru Barladeanu, president of the Senate, expressed his opinion on the statement Minister Eugen Dijmarescu had made the previous day during the press conference at the government.

Mr. Dijmarescu proposed a certain kind of draft constitution, its elaboration by the Constituent Assembly until parliamentary holidays, a term he himself set, plus several election-connected questions which exceed the Constituent Assembly's authority. Mr. Barladeanu said specifying: in my capacity as one of the presidents of the Constituent Assembly I cannot be indifferent to what Mr. Dijmarescu had said. The relations between government and parliament, as representative of national sovereignty, cannot be dependent upon the statements made by a government member—whoever he might be—because these relations should be between the prime minister and parliament. If the government and the prime minister agree to what Mr. Dijmarescu said, we should ask the prime minister to come to parliament to make that proposal of the government and to argue it. And he might even convince us, Mr. Barladeanu also said.

At the end of his short address in the plenum of the Constituent Assembly, Mr. Barladeanu emphasized that he had many observations to make in connection with Mr. Dijmarescu's statement but he reserved his right to tell them to the prime minister.

Deputies' Reaction to Dijmarescu Statement

AU0606161491 Bucharest ROMPRES in English 1055 GMT 6 June 91

[Text] Bucharest, ROMPRES, 6/6/1991—The unexpected probe launched to the nation by Eugen Dijmarescu, minister of economy and finance, on the organization of early general elections stirred various reactions. The country's main politicians, writes daily ADEVARUL, decipher now from their stands the announcement made by Dijmarescu and Ion Aurel Stoica, executive chairman of the National Salvation Front [FSN], regarding possible elections to be held next October or November.

"I am sure the proposal advanced by Mr. Dijmarescu on the government's behalf, is the result of a correct assessment of the present situation and is also a tactical move, by which the FSN tries a most comfortable way out of its impasse", says in daily "TINERETUL LIBER" Ion Ratiu, National Peasant Party deputy, who had run for presidency last year. "However, it is not very clear whether the idea expressed by Mr. Dijmarescu is a mere proposal, a probing move or a firm intention" says Ratiu, adding that he believes "it is a tactical move".

Views differ among the parliamentarians. Senate President Alexandru Barladeanu mentioned on June 5 that the Senate "waits for the prime minister's proposal, after which we will discuss the proposal in the Parliament". In turn, Emil Tokacs (National Liberal Party) considers that the proposal "is not acceptable unless local elections are held before", and Senator Miklos Fazekas (Hungarian Democratic Union of Romania) does "not think this proposal justified". Horia Rusu (National Liberal Party-Young Wing) thinks that "Mr. Dijmarescu is right" and "the future elections would have to extend to the presidency as well." Ecological Party Deputy Otto Weber maintains that "the elections must be held the soonest, but under the ruling of a national unity government" while Sergiu Cunescu, the Social Democratic Party Chairman, considers the announcement made by Dijmarescu as "groundless and, in a way, even spiteful of the Parliament", considering that "most urgent is the organization of local elections, for the legislative elections to be objective".

We outline the opinion of other deputies: "I think that finally the elections will be held at the term set by the electoral law and not when the present government wishes" (Calin Tericeanu, National Liberal Party-Young Wing Deputy); "I don't believe in the opportuneness of early elections" (Petru Burca, Party of National Union of Romanians deputy); "If we'll have indeed early elections, I think that neither the opposition nor the present government will be interested in a government of national unity" (Mircea Ionescu Quintus, National Liberal Party deputy); "It is obvious that we will have no early elections but rash elections" (Claudiu Iordache, FSN deputy), "We have no local administration law, we have no constitution and we don't know if we will have one till the date set for elections. It is a certain fear of the one-party government that looks detrimental to it with every passing week" (Radu Ceontea, deputy and president of Party of National Union of Romania).

On the background of the "no way out of the deadlock with the "convention for democracy" showed by Premier Petre Roman after Wednesday [5 June] talks at the Cotroceni Palace, with FSN leaders, and with the president of Romania, Ion Iliescu stated on the same occasion that "the possibility to form a national unity government, which I've never ruled out, is somehow obstructed by some unrealistic conditioning that do not take into consideration the structure of Parliament". [quotation marks as received] Nevertheless, the dialogue with the opposition parties follow its way, although the possibility for early elections has showed up, conditioned upon the finalization of the constitution. Possibilities are opened for general elections by the end of this year if we've got a new constitution, if we update the electoral law fast, stated the president, it is just a possibility, of course, that has to be subject to talks and negotiations also with the other political parties and Parliament."

'Faur' Commercial Company Begins General Strike

AU0606164891 Bucharest ROMPRES in English 1424 GMT 6 Jun 91

[Text] Bucharest, ROMPRES, 6/6/1991—The meeting of the trade-union leaders of the departments and factories of the "Faur" commercial company, one of the largest industrial units in Bucharest, which took place on Thursday [6 June] morning, decided to go on a general strike to determine the company's administrative executives to resign. At the same time, they asked for a dialogue with the prime minister on questions raised by trade union leaders during their previous meeting.

The administration board of the company announced they would resign and asked the workers to resume work.

The strike continues.

Strikers Request Dialogue With Roman

AU0606195591 Bucharest ROMPRES in English 1835 GMT 6 Jun 91

[Text] Bucharest, ROMPRES, 6/6/1991—The SPTM trade union (of the Engine Design and Technology Section) of the "Faur" S.A. Commercial Company (one of the seven trade unions in that large Bucharest enterprise) announced the starting of a Japanese-type strike to express their decision to join the claims of the "Unitatea" Trade Union which is already on a strike.

An accord of principle was also expressed by the "Infratirea" Trade Union which is not on strike yet.

According to the "Unitatea" trade union's appreciations about 4-5 thousand workers are on strike—of the total of 14,500 workers of that enterprise.

Other four trade unions in "Faur" did not join the strikers considering that the resignation of the entire Steering Committee is not a solution for the difficulties confronting the "Faur" S.A. Commercial Company.

The strikers' first claim refers to their demand for short-term subsidies for the "Faur" S.A. Commercial Company so that it could be able to manufacture, hence to increase salaries. They also demand the settling of other questions connected with the working conditions, the social protection, the relations between employers and the trade unions in that enterprise.

A dialogue with the prime minister is requested in connection with the questions the government was demanded to settle.

Justice Ministry Wants Law on Adoption Amended

AU0606165291 Bucharest ROMPRES in English 1417 GMT 6 Jun 91

[Text] Bucharest, ROMPRES, 6/6/1991—Complaints were lodged with central and territorial police stations showing that foreign citizens adopt Romanian children on suspicious terms and that in some cases Romanian children are taken past the borders with no legal forms at all to make objects for trafficking in countries in Europe and in America.

According to the police department, police officers, in cooperation with the Ministry of Justice and the Romanian Adoption Committee, conducted investigations into all the cases that were brought to attention.

It was noted that in most cases the foreign adopters used Romanian citizens as intermediaries to identify healthy children and to rapidly complete all the forms needed for adoption. The investigations led to the conclusion that foreign citizens prefer to adopt children from Romania since the formalities are simpler and their completion take one or two months, whereas in other countries, it may take up to one or two years.

Aspects related to child adoptions from Romania led to the suspension of those activities by the Romanian Adoption Committee. At the same time, this Committee and the Ministry of Justice suggested that law 11/1990 on adoptions be amended, penalties being envisaged for the parent, tutor or intermediary who claims money for child adoptions either for himself or for another party.

The adoptions are to be made through the Romanian Adoption Committee alone and abandoned children or children whose families cannot provide them with a decent living will be protected.

Polish Envoy Condemns Insulting Articles

AU0606195791 Bucharest ROMPRES in English 1823 GMT 6 Jun 91

[Text] Bucharest, ROMPRES, 6/6/1991—The Polish ambassador to Romania, Zygmunt Komorowski, gave a news conference on June 5 in Bucharest, when he referred, inter alia, to mass media issues. He deplored "certain blunders in the Polish press about Romanian-Polish relations," with concrete mention of Maziarski's "outrageous article" in "GAZETA WYBORCZA". "I feel I must apologize for that article, first of all to those it has wronged, as well as to the Romanian people in general, and even to the Polish people, as the article may look like expressing the Polish people's views, when, in fact, it was no more than a journalist's blunder," the ambassador said.

Zygmunt Komorowski specified "GAZETA WYBORCZA" was not a government organ and that it had nothing to do with the "Solidarity."

"I have informed President Walesa he would be welcome to Romania at a convenient date to be set," the ambassador further said, adding: "Lech Walesa declared he was with all his heart for Romania and a supporter of Polish-Romanian collaboration. It is therefore true to say Lech Walesa is a friend of Romania."

Tudjman: Prospects for Settling Crisis 'Good'

LD0706040591 Belgrade TANJUG in English 2318 GMT 6 Jun 91

[Text] Zagreb, Jun 6 (TANJUG)—President of the Yugoslav Republic of Croatia Franjo Tudjman said tonight there were good prospects for finding a lasting settlement of the Yugoslav crisis, which would satisfy all the interested peoples, in a democratic way.

Tudjman said this in a statement to Croatian television on his return to Zagreb from Sarajevo, where he took part on Thursday [6 June] in the sixth meeting of the presidents of Yugoslavia's six republics devoted to the country's political future.

The six republican presidents, as announced, today accepted the platform proposed by the republics of Bosnia-Hercegovina and Macedonia as the basis for talks on Yugoslavia's future.

The two republics proposed a so-called compromise variant which envisages the forming of an alliance of sovereign republics which would transfer part of their sovereignty to a common state.

Tudjman said today's agreement that meetings of the republican presidents, especially of Serbia, Croatia and Bosnia-Hercegovina, be intensified was "a change in the [words indistinct]."

The population of Bosnia-Hercegovina is a mixture of the three [word indistinct] Yugoslav nations—Serbs, Croats and Moslems.

Many in Yugoslavia believe that the settlement of the Serbian-Croatian question is the key for overcoming the Yugoslav crisis.

The Croatian president said that the Sarajevo talks have shown that conditions are ripening for all settlements to be found on the bases of taking into account all interests in the respect of the constitutional legal order of the republic and solutions not only for "momentary crisis areas" but permanent solutions as well.

Tudjman said that the platform contained a "series of elements" from the earlier joint proposal of the Republics of Croatia and Slovenia for Yugoslavia as a confederal alliance of states.

Tudjman, Bulatovic Comment Prior to Talks

LD0606120291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1108 GMT 6 Jun 91

[Text] Sarajevo, 6 Jun (TANJUG)—The sixth summit of the republican presidents started at 1130 in Villa Stojicevac, in Sarajevo. The summit opened, TANJUG learned, with a discussion about the platform on the future Yugoslav community, as proposed by [Bosnian President] Alija Izetbegovic and [Macedonian President] Kiro Gligorov.

Prior to the talks, about 250 accredited journalists covering the summit managed to get statements from the presidents of Croatia and Montenegro. Asked what chances the proposed platform has, [Croatian President] Franjo Tudjman said that it has the same chances as the one presented by Croatia and Slovenia. They are very similar, Tudjman said. Asked whether the Izetbegovic-Gligorov platform is acceptable, [Montenegrin President] Momir Bulatovic said that largely it is.

Numerous journalists and photographers asked host Alija Izetbegovic what the presidents told him about the proposed platform on their arrival. We spoke more about the weather than about the platform, Izetbegovic replied. When reporters informed Izetbegovic about Bulatovic's statement, his comment was short: I am glad that it is so. However, we still do not know what "the eastern side" is thinking, Izetbegovic said.

The first round of today's talks will last until 1500, when the talks will be adjourned for lunch.

The outcome of the talks on the country's future order will probably be revealed at this evening's news conference, scheduled for 1830. Sarajevo television will relay the conference live.

Tudjman Views Current Issues

LD0506182891 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 5 Jun 91

[Text] Croatian President Franjo Tudjman has given an interview to the Voice of America. Tudjman replied to a question on what he expects from a meeting between republican presidents to be held in Sarajevo on Thursday. That should be the final meeting at which an agreement should eventually be reached on the transformation of the Yugoslav community into an alliance of sovereign republics-states. If that is not possible, we shall peacefully dissociate, he said.

Tudjman also commented on the proposal of [Presidency] presidents [of Bosnia-Hercegovina] Izetbegovic and [Macedonia] Gligorov. He said it is a compromise solution, basically confederal, but with federal elements. Judging by our experiences so far, it will not be acceptable to Serbia. Regarding Croatia and Slovenia, we could agree to accept such a proposal if it is improved in accordance with our draft proposal, Tudjman said.

Macedonian President on Meeting

LD0606223691 Belgrade TANJUG Domestic Service in Serbo-Croatian 2146 GMT 6 Jun 91

[Text] Skopje, 6 Jun (TANJUG)—It is only natural that representatives of Serbia, Croatia, and Bosnia-Hercegovina should meet and agree on what will happen in the Knin region and Bosanska Krajina. We agreed that the representatives of the three republics should meet as early as next week to consider in detail the pressing issues in these areas and to inform us about the results of their talks, Macedonian President Kiro Gligorov said immediately after the Sarajevo meeting in a statement to the Macedonian media.

Asked whether this has been the last meeting of the republican leaders, Gligorov said that the meetings will

probably do away with their hitherto ceremonial features, but there will nevertheless be even more bilateral and joint agreements. "We are first expecting the meeting of the three, and then we will carry on on the basis of the platform proposed by Izetbegovic and myself, which has been accepted as a working framework, so as to devise the most specific elaboration of the issues put forward by the platform."

Stressing that the republican leaders still have a long way to go in their talks and agreements, Kiro Gligorov said that "today's meeting was a good one," but one should not delude oneself that everything is solved. He added that representatives of the Federal Executive Council, the program of which is similar to that proposed by him and Izetbegovic at the Sarajevo meeting, should also take part in future talks on Yugoslavia.

Kucan Sees 'Compromise' at Talks

LD0706035591 Belgrade TANJUG in English 2335 GMT 6 Jun 91

[Text] Ljubljana, June 6 (TANJUG)—President of the Yugoslav Republic of Slovenia Milan Kucan said tonight that a compromise solution was accepted at the meeting of the presidents of Yugoslavia's six republics in Sarajevo on Thursday.

In a statement on his return from the meeting, Kucan described the proposal of the presidents of Bosnia-Hercegovina and Macedonia, Alija Izetbegovic and Kiro Gligorov, on the organization of Yugoslavia as an alliance of sovereign republics which would transfer part of their sovereignty to the Federal state, as a "compromise."

Slovenia and Croatia have announced their independence and urge the future organization of Yugoslavia as a confederation, whereas Serbia and Montenegro advocate the preservation of the Federation.

According to Kucan, the compromise "should enable further debate, that is, show what direction the majority is turning in and how the support of all can be gained."

Kucan said that an "acceptable starting point" would be to place the present Yugoslav republics in the position of sovereign states.

BORBA Cites Government Proposal

LD0506224291 Belgrade TANJUG in English 1814 GMT 5 Jun 91

[Text] Belgrade, June 5 (TANJUG)—A group of experts in the Yugoslav Government has nearly completed a proposal for the settlement of the crisis in Yugoslavia and future organization of the Yugoslav community which is expected to be adopted by the governmnent tomorrow, TANJUG has learned.

The Belgrade daily BORBA writes today that the government's proposal will most probably appear in one form or another at the negotiating table of the six republican presidents at their meeting in Stojcevac near Sarajevo on Thursday.

BORBA, which generally reflects the views of the Federal Government, writes that it has unofficially learned from its sources that the "coordinating body of the federal government, which includes the prime minister and his deputies, the secretaries for defence, the interior and justice convened late last night to work out in detail the aforementioned platform."

TANJUG has learned that the document will list proposed centrally-administrated functions of the future Yugoslav community in the field of the economy, foreign policy, defence and security.

The government favours an integral market, a single currency, a common central bank, customs, monetary and credit policy. It will also undoubtedly insist on the holding of elections for a multi-party federal assembly and on the sovereignty of citizens and nations which would be realized in the republics and the future Yugoslav community.

Special emphasis will be placed on the respecting of human rights and the rights of minorities in line with European and world standards.

TANJUG has also learned that Federal Prime Minister Ante Markovic and Defence Secretary Veljko Kadijevic will hold a meeting in Belgrade today with the highest representatives of the Republic of Slovenia at which questions of the Slovenia's move towards independence and its relationship with the Yugoslav People's Army will be discussed.

Presidents of the Republics of Bosnia-Hercegovina and Macedonia, Alija Izetbegovic and Kiro Gligorov, have prepared for tomorrow's meeting in Stojcevac a joint platform on the future Yugoslav community.

The two presidents' concept represents a solution which lies somewhere between the confederal option favoured by Slovenia and Croatia and the (?moderation) advocated by Serbia and Montenegro.

The two presidents also see Yugoslavia as an alliance of sovereign republic-states, but the proposal differs in the scope of the sovereignty of the common state.

Presidents Comment Before Meeting

LD0606121891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1020 GMT 6 Jun 91

[Text] Sarajevo, 6 Jun (TANJUG)—Croatian President Franjo Tudjman was the first to fly into Sarajevo this morning. He was followed by Serbian President Slobodan Milosevic and Slovene President Milan Kucan. Macedonian President Kiro Gligorov arrived in Sarajevo last night. He and Bosnia-Hercegovina President Alija Izetbegovic are the authors of a platform on the future organization of the Yugoslav community, which will serve as the departure point of today's meeting. Montenegrin President Momir Bulatovic arrived in Sarajevo by car.

Under the Bosnia-Hercegovina protocol, Slobodan Milosevic should have been the first to arrive. However,

Croatian President Tudjman arrived first, and contrary to protocol, was met and greeted by Stjepan Kljuic, president of the Croatian Democratic Community for Bosnia-Hercegovina.

Asked by journalists about the Izetbegovic-Gligorov platform, the Croatian leader said that, basically, the platform has not offered anything new, and that, except for some compromise solutions, to a large extent it is based on earlier proposals by Croatia and Slovenia. However, it can serve as a basis for today's talks, Tudjman said.

Asked if a compromise could be made today, the Croatian president said that a compromise is possible in the search for solutions, but that Croatia is not ready to accept any compromise that would not safeguard Croatia's interests.

Serbian President Milosevic arrived 10 minutes later. In a brief conversation with Milovan Dodik, head of Bosnia-Hercegovina protocol, Milosevic said: 'We have come here to reach an agreement.' The journalists were in no position to present questions to the Serbian president. However, Slovene President Kucan who arrived soon after, was inundated by their questions. What are the chances of Slovenia remaining in Yugoslavia? was the first question put to Kucan. "You are all aware of our decision reached in the plebiscite. Under this decision, Slovenia is a sovereign independent state that is interested in regulating common interests, stemming from its independence with other republics, with which it would share an identical status providing they decide to stay together."

In reference to the Izetbegovic-Gligorov platform, Kucan said that many of its parts are common with a platform presented last fall by Slovenia and Croatia. The gap between their departure points is, however, narrowed, since the Izetbegovic-Gligorov platform talks about sovereign republics, i.e. states. We must now clarify how each of us interprets this terminology. I hope that the republics will be in the position to formulate their status, the level of their soverignty and autonomy, and on their implementation, Kucan stressed. In response to a remark by a journalist that Europe is insisting on a single solution, Kucan said: "The question is what Europe, in fact, insists on. Europe insists on a democratic solution." Asked how distant is such a solution, Kucan said: "As far as we are concerned, we are not far from it."

Presidents Issue Statement at Summit

LD0606183791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1734 GMT 6 Jun 91

[Text] Sarajevo, 6 Jun (TANJUG)—At today's sixth meeting of the leaders of the Yugoslav republics, which was held today in Villa Stojcevac near Sarajevo, a joint statement was issued. The statement says:

The sixth summit of the republican presidents—that is, presidents of the presidencies of the Yugoslav republics—was held in Sarajevo today. The summit resumed discussions on the future order of a Yugoslav community.

The participants in the meeting agreed on the following:

All outstanding issues should be resolved by agreement, in a peaceful and democratic manner and in the interests of all. At the same time, the gravity of the economic and social crisis in Yugoslavia and the EC appeal must be taken into account.

The proposal presented by [Bosnia-Hercegovina President] Alija Izetbegovic and [Macedonian President] Kiro Gligorov represents a constructive basis for the continuation of talks on structuring of the relations among the Yugoslav republics. Consultations in the republics should be held on this proposal and others presented at today's talks.

Since the main reason for the crisis in Yugoslavia is, among other things, the bad state of interethnic relations and the fact that the situation is especially acute in some republics, it was agreed that a special meeting of the Presidents of Croatia, Serbia, and Bosnia-Hercegovina should be held as soon as possible.

The summit participants hold that the presidency should resolve the crisis created by the failure to elect a president and vice president of the SFRY Presidency as soon as possible, in line with the Constitution and the Presidency standing orders.

The presidents agreed to intensify their working meetings.

Groups Appeal to Republican Leaders

LD0606142591 Belgrade TANJUG in English 1935 GMT 5 Jun 91

[Text] Belgrade, June 5 (TANJUG)—The leadership of the independent trade unions of Yugoslavia today accused the republican leaders of "being slow and ('hive-bound) in dealing with the political [words indistinct] the country" and invited them to contribute to "life in peace and a civilized standard of living".

"Instead of weapons, empty talk and threats of civil war, (Yugoslav workers) want peace, they want to work and earn, they want human dignity", says a message sent to the republican leaders who are to convene tomorrow in Sarajevo, the capital of the Yugoslav Republic of Bosnia-Hercegovina, for a sixth round of talks.

The opposition Socialist Party of Croatia (SSH) today released a statement upholding a proposal put forth by President of the Bosnia-Hercegovina Presidency Alija Izetbegovic and Macedonian President Kiro Gligorov that Yugoslavia be re-organized as an association of Yugoslav republics-states.

The proposal is a compromise between proposal for a federation, put forth by Montenegro and Serbia, and one for a confederation, advocated by Croatia and Slovenia.

The SSH believes that the proposal made by Izetbegovic and Gligorov, which will be submitted to the Sarajevo summit, "will be approved by all of Europe (?and all) European inistitutions". The party underlines that a rejection of the proposal would be an "unreasonable (?and) irresponsible act aimed at further worsening relations, even at the price of civil war".

Officials of the Slovenian committee of parents for the protection and return of soldiers today handed to Gligorov and President of the Slovenian Presidency Milan Kucan a message for the republican leaders inviting them to "contribute to a peaceful and civilized settlement of the Yugoslav crisis".

The committee calls on the republican leaders "not to exacerbate relations with the units of the Yugoslav People's Army, which is composed of young men from all parts of Yugoslavia".

Kucan Accepts Principle of Sovereign Republics

LD0706094191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0837 GMT 7 Jun 91

[Text] Ljubljana, 7 Jun (TANJUG)—The Izetbegovic-Gligorov proposal is a compromise formula, that is, a formula for seeking a compromise for a further discussion that would show in which areas it is possible to secure everyone's approval, Slovene Presidency President Milan Kucan said upon his return from Sarajevo.

He added that the proposal contains an acceptable starting point: that republics are in the position of sovereign states, which is also contained in the Croatian-Slovene model of a confederal system. This is the basis for integration and cooperation of all democratic countries and a civilizational trend in the integration of the modern world, irrespective of whether cooperation between such countries is orientated towards a community.

"I hold", Kucan added, "that the creation of a single state is not a necessary condition for the realization of common interests in these areas. On the contrary, they could be realized much more efficiently through the cooperation of the republics, that is, sovereign states", Kucan said. This, according to Kucan, could show whether the Yugoslav republics are willing to acknowledge (each other's) sovereignty and international-legal subjectivity. "This would mean that they really believe that they are equal and that they are facing a possibility and necessity that they will have to live alone," Kucan said, adding that only this would open a real discussion on whether there is a chance for the republics to live as independent states.

Efforts to preserve Yugoslavia as a state community or a single state are basically related to the Serbian national question, Kucan said among other things. According to him, this problem is mainly located in Bosnia, and is affecting Croatia too. To settle it, the presidents of these three republics (Serbia, Croatia, and Bosnia-Hercegovina) have agreed to try to resolve this problem affecting the entire Yugoslav community, through talks, which provides a greater opportunity for this problem to be resolved in a peaceful way, without violence.

The problem of the failure to elect the president of the SFRY Presidency should be resolved in the presidency in line with the Constitution and the Presidency standing orders, Kucan said. He stressed that one should not forget that the Presidency is the supreme commander of the Armed Forces. If it is not functioning, the Army is without the supreme commander. In this case, relevant decisions are either not made or made by the Army itself, which is unacceptable in a law-governed state.

Slovene Opposition Parties on Independence Moves

LD0506205691 Belgrade TANJUG in English 1610 GMT 5 Jun 91

[Text] Ljubljana, June 5 (TANJUG)—The Party of Democratic Renewal (SDP), the biggest opposition party in the Yugoslav Republic of Slovenia, today said the ruling Demos coalition was in spite of agreement reached between the parties blocking the SDP's participation in the realization of the decisions on the country's most industrialized republic's move towards independence.

A huge majority of the population of Yugoslavia's northwestern republic at a plebiscite organized in late December last year voted in favour of independence for their republic, which should according to decisions reached in the republican parliament be proclaimed on June 26 this year.

SDP (former Communist) leaders Miran Potrc and Dr. Ciril Ribicic asked President of the Slovenian Parliament Dr. Franc Bucar to ensure that opposition parties take part in the implementation of the decisions reached at the plebiscite.

The parliament on May 30 voted down a proposal for the establishment of a parliamentary body made up of representatives of all parties which would oversee the implementation of the decisions made at the plebiscite.

Leaders of the opposition Social Democratic Union of Slovenia (SDU) said at a news conference today that their party was in favour of democratic dialogue and against the Republic's militarization and "political moves which would take it in the direction of international isolation."

Prominent members of the SDU, which will hold a congress on June 8, include Deputy Federal Prime Minister Zivko Pregl and senior Yugoslav Foreign Secretariat official Ivo Vajgl.

SDU leaders also said the "transition to an independent Slovenia must be performed so that every step in that direction guarantees broader democracy, more confidence in the eyes of Europe and the world, and more all-round, legal and social security for Slovenia's citizens and economy."

Head of the opposition Party for the Equality of Citizens Dragisa Marojevic said today his party would democratically accept the desire of the Slovenian people to leave Yugoslavia provided the act is accompanied by guarantees for the survival of citizens of other republics who live and work in Slovenia.

Should such guarantees not be provided, we see our future outside Yugoslavia, Marojevic said at a news conference, adding that non-Slovenes would move to Austria en masse.

Criticizing Slovenia's draft citizenship law, Marojevic said conditions for being granted Slovenian citizenship were so strict few non-Slovenes who had lived and worked in the republic for decades could meet them.

Daily on 'Initial Shock' of Slovene Independence

LD0606201291 Belgrade TANJUG Domestic Service in Serbo-Croatian 0725 GMT 6 Jun 91

[Excerpts] Ljubljana, 6 Jun (TANJUG)—"Not so long ago, the fanatical proponents of a Slovene national state promised that, once saved from communism and Yugoslavia, Slovenia would become neither more nor less than a small Switzerland. Now, however, on the eve of "D-Day" and only a few days before an independent Slovenia as promised by these people, Switzerland is no longer being mentioned. Instead they are all talking about difficulties likely to befall Slovenia. Peterle [Slovene prime minister] has even warned of an initial shock"—Vlado Miheljak writes today in the Ljubljana-based NEZAVISNI DNEVNIK. [passage omitted]

"Since we have failed over the last few months to construct stable foundations for an independent state, we have become bored even with the aggressive Yugoslav People's Army [JNA]. And because, despite its primitivism and aggressiveness, the JNA has not enough determination to stop Slovenia's secession, we have embarked on a series of actions to provoke it, NEZAVISNI DNEVNIK says. It has become clear now that in the light of its over-generous promises, current authorities in Slovenia can only be saved by an aggressive action by the Army. We can therefore expect some people to do everything in their power to provoke it in due course in order to force it to react," Vlado Miheljak says. Events over the last few weeks indicate that this would not be a difficult task.

It seems, unfortunately, that only the JNA now brings grist to our mill, NEZAVISNI DNEVNIK says in conclusion.

Peterle on Recognition of Slovene Independence

LD0606210191 Belgrade TANJUG in English 1332 GMT 6 Jun 91

[Text] Ljubljana, June 6 (TANJUG)—In a statement for the daily DELO on Thursday [6 June], Premier of the Yugoslav Republic of Slovenia Lojze Peterle described the talks on Wednesday [5 June] between the Slovene leaders and Yugoslav Prime Minister Ante Markovic as the beginning of talks on Slovenia's gaining independence.

Peterle emphasized that "it was no longer a matter of opposing the will of Slovenia—taken at a plebiscite—and that this decision was now taken seriously at the Federal level."

The Slovene premier announced that "operational talks on how to order matters connected with gaining independence—from customs to other questions" would be continued.

Gaining independence was one of the main topics in the talks with the Federal prime minister, Federal Defense Secretary Veljko Kadijevic and Federal Justice Secretary Vlado Kambovski.

Late last year, citizens in Slovenia voted for independence of the republic.

The gaining of independence was set for June 26.

Commenting the talks with the Federal Government, Slovenia's Presidency President Milan Kucan on Thursday said "Slovenia did not want to realize onesidedly the decision of the plebiscite and thus damage the interests of the other republics and threaten peace and security of Europe."

Kucan also pointed out the "readiness of the Federal Government to continue with concrete talks" on Slovenia's gaining independence.

Slovenia Returns APC's to Army

LD0606164691 Belgrade TANJUG in English 1506 GMT 6 Jun 91

[Text] Ljubljana, June 6 (TANJUG)—Four armoured personnel carriers [APC] taken from the yard of the TAM auto-motive factory of Maribor, Slovenia, last week, have been returned to the Yugoslav Armed Forces, the information secretariat of this Yugoslav republic stated today.

The statement says the vehicles were taken over by the Army at the Dobova railway station and immediately moved out of Slovenia. It notes that the return of the vehicles took place under an arrangement between Yugoslav Army and Slovenian armed forces representatives providing that the vehicles must not remain in the Fifth Military District, whose territory covers Slovenia and part of the Republic of Croatia.

There was no immediate comment on the statement in Maribor. Members of Slovenia's territorial defence force who were preventing the delivery of vehicles to the Army since last Monday [3 June] and the arrival of Army experts supervising TAM's production for Army purposes, have been withdrawn from the factory.

Croatia Protests Arrest of Demonstrators

LD0606223991 Belgrade TANJUG in English 2144 GMT 6 Jun 91

[Text] Zagreb, June 6 (TANJUG)—The Government of the Yugoslav Republic of Croatia today sent Federal Prime Minister Ante Markovic a note of protest against the arrest of four citizens of Split, who were the most aggressive in the anti-Army demonstrations in this central Adriatic town on May 6.

The Federal Defence Ministry announced today that the four were arrested yesterday on charges of "criminal offences against the Armed Forces".

One of them, Ivan Begonja, had tried to choke a soldier in an armoured personnel carrier, in which he had a zealous helper in Ronald Zvonaric. Another of the arrested high-spirited demonstrators, Banko Glavinic, removed the machine gun from the transporter, and his colleague, Mate Sabljic, fired shots from his pistol at the military guards.

The Croatian government's protest note describes the arrest of the four as "unlawful and brutal...and chiefly a political act...which is part of a programme of provocations being implemented by the Army's security organs in an attempt to prove that it is impossible to resolve the political crisis in Yugoslavia in a peaceful and democratic manner".

The republican government accuses the military of "trying to introduce elements of military dictatorship into the Republic of Croatia", which it says is "provoking a spontaneous reaction from [word indistinct].

The Croatian government maintains that the arrest of the citizens of Split on the part of military security has "grossly violated the constitutional and legal order of the Republic of Croatia", public law and order and the security of the citizens.

The protest note goes on to say that neither the Yugoslav penal code and nor the law on military tribunals, quoted by the military, "nor any other Federal regulation offer any grounds for this action".

The Croatian government warns that, "under the existing regulations...in every action undertaken against a civilian, military organs must first approach the corresponding civilian organs, and the criminal proceedings are instituted by the civilian organs".

The protest note describes the action taken by the military as "impermissible...and in violation of the Federal laws, and as bringing pressure to bear on the freedom of expression of the citizens of the Republic of Croatia".

One soldier was killed and two were wounded during the anti-Army demonstrations in Split.

Findings Released in Split Demonstrations Death

LD0706045691 Belgrade TANJUG in English 1714 GMT 6 Jun 91

[Text] Belgrade, June 6 (TANJUG)—The Yugoslav soldier who died in last month's anti-Army demonstrations in Split was killed by Croatian policemen. This was established on the basis of evidence collected so far and the expertise, especially ballistic, the Federal Defence Secretariat's information service stated today.

The evidence and the expertise "prove that the bullets which killed Saso Gesovski" and wounded three other soldiers "were fired by policemen of the Ministry of Internal Affairs of Croatia," the statement said.

It noted that the identity of the policemen "is known to Croatian prosecution organs" but that they "have not revealed it either to the public, or to the Yugoslav Army organs of criminal prosecution."

The announcement confirmed that four civilians were arrested by the military police in Split yesterday "on the grounds of justified suspicion of having committed a criminal offence of attacking the military in the performance of their duties."

One of the arrested, Ivan Begonja, tried, with the help of Ronald Zvonaric, to strangle a soldier in an armoured personnel carrier during the anti-Army demonstrations outside the military district command in Split on May 6. The demonstrations were partly broadcast live by television and the scene of the strangling was shown round the globe.

Branko Glavinovic took a machine-gun down from the vehicle, while Mate Sabljic fired at guards by his revolver, the statement said.

Krajina Seeks Spegelj, Boljkovac Arrests

LD0706043691 Belgrade TANJUG in English 1850 GMT 6 Jun 91

[Text] Knin, June 6 (TANJUG)—The Interior Affairs Service of the so-called Serbian autonomous region of Krajina—in the territory of the Yugoslav Republic of Croatia—has issued warrants for the arrest of Croatian Defence Minister Martin Spegelj and Croatian Interior Minister Josip Boljkovac.

Addressing a press conference in the region's capital Knin, Milan Martic, introduced to the reporters as Krajina's defence minister, said the warrants were issued "because of (the Croatian officials') crimes against Serbs in Croatia".

An arrest warrant for Spegelj has also been issued by the Yugoslav military authorities on charges of "plotting an armed rebellion in Croatia".

The military authorities also consider Spegelj involved in the illegal purchase of arms for Croatia in neighbouring Hungary.

The Croatian authorities have so far refused to turn Spegelj over to the military prosecutor.

Serbs in Croatia accuse the republican police and Interior Minister Boljkovac of practicing "state terrorism", killing Serbs and raiding Serb-populated villages.

The Croatian authorities do not recognize Krajina, which comprises predominantly Serb-populated communes in Croatia. The region recently declared itself a federal unit where "the laws of the Republic of Serbia are in force".

Croatian Party Protests Lack of Democracy

LD0606214291 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 6 Jun 91

[Text] The leadership of the Croatian People's Party held a news conference today to protest a delay in introducing democracy in Croatia, which in some areas is reflected in a delay in organizing authorities according to the Constitution. The constitutional principle which provides for the division of powers is not being observed, since some ministers continue to be deputies in the republic's Assembly. The Assembly procedure, as the basis of democracy, is being constantly violated, so that even emergency laws are not being introduced correctly, the party said.

The party also protested the fact that judicial organs are not independent of the political authorities; there is no press freedom; and there is an obvious amalgamation of political, state, and economic functions. The president's advisers and some ministers, appointed to management boards of five or more enterprises, are getting richer as a result of their political standing, the party leadership stressed.

Serbian Interior Ministry on Kosovo Rights Appeal

LD0606023791 Belgrade TANJUG in English 1929 GMT 5 Jun 91

[Text] Belgrade, June 5 (TANJUG)—The Interior Ministry of the Republic of Serbia on Wednesday denied the substance of the allegations contained in an appeal issued by the committee for the protection of human rights in Pristina, the capital of the southern Province of Kosovo, urging the release from prison of about 80 young ethnic Albanians.

The appeal, sent to the Yugoslav federal organs and the Council of Europe, claimed that the ethnic Albanians "are languishing in prisons convicted of the delict of opinion,...sentenced for political offences in which no violence was used."

The Ministry report, discussed at a session of the federal parliament's Human Rights and Freedoms Committee, said that "42 persons of Albanian nationality, convicted of political crimes, are serving their terms in prisons in Serbia and Macedonia, while others were released on different grounds."

"The allegations that these men used no force are also wrong," said the statement, recalling that "four of the prisoners were chief organizers of the 1981 separatist demonstrations in Pristina, while two were procuring firearms and one was supplying information to Albanian intelligence."

"Nearly all others were convicted of the offences which, besides being hostilely motivated, involved acts of violence such as terrorism, attempted murder, the undermining of military and defence capability, armed attacks on officials or espionage," the statement said.

The Federal Secretariat for Justice informed the parliamentary committee that the 40 prisoners whose names are listed in the appeal, were pardoned by the Yugoslav State Presidency last year.

Serbian Assembly Elects New President

LD0506185791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1840 GMT 5 Jun 91

[Text] Belgrade, 5 Jun (TANJUG)—Aleksandar Bakocevic was this evening elected president of the Serbian People's Assembly. His election follows the resignation of the former president, Slobodan Unkovic, at the beginning of today's session.

Bakocevic was elected by people's deputies of the republican legislature in a secret ballot. There were six votes against and 13 abstentions.

TANJUG Profiles Serbian Assembly President

LD0606025491 Belgrade TANJUG in English 2037 GMT 5 Jun 91

[Text] Belgrade, June 5 (TANJUG)—Aleksandar Bakocevic, newly-elected president of the National Assembly of the Yugoslav Republic of Serbia, was born in 1928 in Uzice, Serbia.

Bakocevic, a Serb, became member of the Communist Party of Yugoslavia (later League of Communists of Yugoslavia) in 1948.

He graduated from the Belgrade University School of Law.

He has been acive in Serbia's political life since 1958, holding responsible posts in the Socialist Alliance and the republican government. His other posts include those of director of the TANJUG News cagency, and editor-in-chief and director of the POLITIKA newspaper publishing house.

He was mayor of Belgrade from April of 1986 to 1989, and was subsequently elected member of the republican presidency.

Serbian Croats Request Cultural Autonomy

LD0606024591 Belgrade TANJUG in English 2223 GMT 5 Jun 91

[Text] Subotica, June 5 (TANJUG)—The leaders of the Democratic Alliance of Croats in Vojvodina tonight told a press conference in Subotica that they sent the Serbian republican assembly on May 30th a proposal about the passing of a law on the "cultural autonomy of Croats in the Republic of Serbia."

In the request for the passing of the law on the cultural autonomy of Croats in Serbia, about 70,000 of them, the alliance refers to the constitutions of Yugoslavia and Serbia pointing out the necessity that the legal status, education, culture, science and research, and news media be regulated by a legal act.

The law, it was said at the conference, would have to call for the right to the public use of the Croatian language and the Latin script in all segments of the legal state, and the public use of national symbols. The law would primarily regulate the legal status of the ccroatian nation in Serbia.

As proposed by the alliance, the cultural autonomy would be represented by a national council of Croats with all the necessary staff-personnel, property-legal, and financial authorization. Such a council would have the right to veto any decisions which are not in agreement with the law.

Serb Forum Views Cultural, Political Violence

LD0506115491 Belgrade TANJUG Domestic Service in Serbo-Croatian 0823 GMT 5 Jun 91

[Text] Karlovac, 5 Jun (TANJUG)—Members of the Croatian and Serbian nations can live together only in complete independence, says a public statement by the Forum of Serbs of Bela Krajina, Gorski Kotar, Kordun, Pokuplje, and Zumberak. The Presidium of this Serbian organization rallying Serbs in the central parts of Croatia, from Slovene to the Bosnia-Hercegovina borders, says that "the Serbian population in these areas is exposed to cultural and political violence."

Although they have been living here with Croats for centuries, the Cyrillic alphabet is not publicly used, there are no schools for Serbian children, the Serbs do not have cultural institutions, and there are not even churches because they have been destroyed, the public statement says. Speaking about "psychological pressure," the Forum of Serbs says that weapons are being distributed in these areas and volunteer units are being set up. The Serbs are being intimidated, arrested, beaten up, and sacked, and political trials are being staged against them.

The Presidium of the Serbian forum says in conclusion: "The Serbian people cannot be obedient to a government that has transformed it into a national minority." The forum is calling on Serbs to refuse to accept Croatian citizenship, to leave trade unions, to set up clubs for Serbian deputies in all municipalities, to stop emigration, to improve information and political activities, and to foster a belief in common sense and Yugoslavia."

Mikasinovic on State Department 'Reprimand'

LD0606110291 Belgrade TANJUG in English 0956 GMT 6 Jun 91

[Text] Belgrade, June 6 (TANJUG)—On the occasion of "Serbia's ever dimmer picture in the world", Serbian Foreign Minister Branko Mikasinovic said in an interview for today's issue of the Belgrade daily BORBA, that the republic's "future lies in arguments."

"Serbia has them", Mikasinovic said, but he also pointed out that the republic, compared to others, does not have its own diplomacy in the world. "Because, Yugoslavia exists and so does Yugoslavia's foreign policy," Serbia's foreign minister Mikasinovic said.

Mikasinovic said that Serbia is "still not on the defensive", that it endeavors to act with dignity but is also firmly resolved not to discuss its internal affairs, nor to speak against others. "We are endeavoring to show how diplomacy is ... The patient search for roads of cooperation", Mikasinovic said. He also expressed the conviction that "the world will one day awaken and see that it was unjust towards Serbia." Within this context Mikasinovic assessed the State Department's "severe reprimand" to Serbia as something which is only momentary and could not be a long-term policy.

Bosnian Serb Party Rejects Discussion Platform

LD0506183591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1242 GMT 5 Jun 91

[Text] Sarajevo, 5 Jun (TANJUG)—A platform drawn up by [Bosnia-Hercegovina Presidency President] Alija Izetbegovic and [Macedonian Presidency President] Kiro Gligorov and due to be discussed at a Yugoslav summit in Sarajevo tomorrow is an act designed to break up both Yugoslavia and Bosnia-Hercegovina. This was said today at a news conference organized by the Serbian Democratic Party [SDS] for Bosnia-Hercegovina. The SDS has rejected the document, which it sees as an expression of the views of Izetbegovic's party rather than of Bosnia-Hercegovina interests.

It was said that the Izetbegovic-Gligorov platform refers to the Yugoslav community in terms of a confederation. The SDS insists that if the platform were to be offered to experts they would establish that the outlining state would not be able to function in practice.

In the SDS view, either the U.S. or the German constitution should be taken as an example on which to build a platform for resolving the Yugoslav crisis. There is no state without a constitution, and the Izetbegovic-Gligorov platform does not seem to offer one. Although conceived as a confederation, even Switzerland functions as a federation.

SDS President Radovan Karadzic expressed reservations about any progress at the summit tomorrow in negotiations on the Yugoslav crisis and its resolution. In his view, the best the six leaders can do is to pass decisions that would enable those who so wish to secede from Yugoslavia in a peaceful and constitutional manner.

Hercegovina's Muslim Districts To Form Community

LD0506221191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1506 GMT 5 Jun 91

[Text] Mostar, 5 Jun (TANJUG)—As a response to the regionalization into a community of municipalities with the majority Serbian population in Eastern Hercegovina, the regional board for Hercegovina of the Party for Democratic Action [SDA] will form predominately Muslim municipalites in Eastern Hercegovina, which will then form their own community of municipalities of Eastern Hercegovina.

This was stated by Ismet Hadziosmanovic, president of the SDA regional board for Hercegovina, who added that, after Muslim municipalities and the community of municipalities in Eastern Hercegovina are set up, they will form their own public order, judicial and other state bodies, if the Serbian municipalities of the so-called Eastern or Old Hercegovina do the same.

Government on EC Statement on Reform Program

LD0706042791 Belgrade TANJUG in English 1858 GMT 6 Jun 91

[Text] Belgrade, June 6 (TANJUG)—The Yugoslav Government said today it would do everything in its power over the next three weeks to enact the creation of the necessary prerequisites for a peaceful resolution of the crisis and the formation of a new Yugoslav community rooted in democracy.

A statement issued by the government Information Secretariat says that the government will [word indistinct] to do the utmost its constitutional authority "to prevent the worst".

The European Community is prepared to urgently render financial assistance to Yugoslavia, through its government, provided that the country meet several conditions, including return to the reform course set by the Markovic government, the statement stresses.

The EC maintains that the Federal Government's reform programme had gotten off to an excellent start until it was blocked by political resistance in the country late last [word indistinct] the statement goes on to say.

The EC makes its support to Yugoslavia conditional on a peaceful and democratic way out of the current crisis, creation of the conditions necessary for the functioning of the Presidency of Yugoslavia in keeping with the Constitution and the continuation of the process of democratization of society, the government statement adds.

The Community also believes it is necessary to create conditions for an efficacious protection of human rights in the entire territory of Yugoslavia, it says.

The Federal Government also warns that Yugoslavia may find itself isolated from and without support in Europe at the EC Council session later this month if these conditions are not met.

This in turn may lead to a drop in production, economic chaos and uncontrollable [words indistinct], the statement stresses.

Those who reject Europe's readiness to help us solve the crisis will be held responsible for such a situation, the government says.

Pregl Confers With World Bank Official

LD0606225891 Belgrade TANJUG in English 1642 GMT 6 Jun 91

[Text] Belgrade, June 6 (TANJUG)—Yugoslav Deputy Prime Minister Zivko Pregl held talks in Belgrade today with Vice-President of the International Bank for Reconstruction and Development Wili Wapenhans, who is on a visit to Yugoslavia. Wapenhans said today that the World Bank desired to continue successful cooperation with Yugoslavia, but that any kind of financial support warranted firm guarantees from the Federal Government.

According to an announcement issued after the talks, the World Bank is especially insisting that the Yugoslav National Bank step up its role in controlling monetary policy, and on stronger efforts to develop a common market and an integrated banking system. Wapenhans said this would create the necessary conditions for the withdrawal of the second part, worth 250 million dollars, of the already signed structural readjustment credit (SAL-2), the FSAL credit for the reconstruction of the Yugoslav banking system, and other target loans.

Wapenhans also said the World Bank would like to see an end to the serious political crisis in Yugoslavia which had halted the economic reform process.

The World Bank mission left today for Skopje, where its talks with the government of the Yugoslav Republic of Macedonia will open a series of meetings with all republican leaderships.

After these talks Wapenhans will also be received next week by Yugoslav Prime Minister Ante Markovic.

Pavlov Arrives, Begins Talks With Markovic

LD0706101791 Belgrade TANJUG Domestic Service in Serbo-Croatian 0936 GMT 7 Jun 91

[Text] Belgrade, 7 Jun (TANJUG)—Soviet Prime Minister Valentin Sergeyevich Pavlov arrived today in Belgrade on a two-day friendly working visit to Yugoslavia. The visitor from Moscow was met at Surcin Airport by his host, Federal Executive Council President Ante Markovic, and Deputy Federal Secretary for Foreign Affairs Milivoje Maksic.

Immediately after his arrival, Pavlov began talks with Markovic in the Palace of the Federation. According to reports, they are focusing on the economic relations between the two countries. Also being discussed are the problems arising after the conversion from clearing to convertible currency payment methods in the trade between Yugoslavia and the USSR. It is expected that

the two prime ministers will also discuss a second problem—the Soviet debt to Yugoslavia, which amounts to $2.4 billion.

Trade between the two countries in the first four months of this year amounted to $1.4 billion ($671 million of Yugoslav exports, and $783 million of imports). This marks a reduction in trade of 42.6 percent in comparison with the same period last year.

In addition to the particular problems in economic cooperation, to which the two prime ministers are devoting special attention, it is certain that they will also devote time to an exchange of views on certain other issues, primarily the situation in Yugoslavia and the USSR, the latest trends in Europe, and the place of the two countries in the new European architecture.

Markovic, PRC's Li Assess Economic Cooperation

LD0706042191 Belgrade TANJUG in English 1939 GMT 6 Jun 91

[Text] Belgrade, June 6 (TANJUG)—Yugoslav Prime Minister Ante Markovic has received visiting Chinese Minister of Foreign Trade Li Lanqing.

In the ensuing talk, the two sides assessed the volume of bilateral economic cooperation as lagging far behind the two countries' actual potentials and needs. The Chinese minister informed the Yugoslav prime minister that a 100-million-dollar contract on cooperation in the chemical industry has been signed during the current visit.

Minister Li expressed his country's interest in the preservation of Yugoslavia's territorial integrity.

Li Lanqing renewed to Prime Minister Markovic the invitation issued by Chinese Premier Li Peng to visit China.

Renewed Request Made for OECD Membership

LD0506210491 Belgrade TANJUG in English 1632 GMT 5 Jun 91

[Text] Paris, June 5 (TANJUG)—Yugoslavia Wednesday renewed its request for full membership in the Oganization of Economic Cooperation and developmnt (OECD).

This would be "the biggest contribution to overcoming our problems and strengthening the country's unity," Yugoslav Development Secretary Bozidar Marendic told a session of the OECD Council.

After 30 years of successful cooperation, Yugoslavia last June submitted an official request for OECD membership after its members expressed encouragement for the success of the Yugoslav economic and political reforms.

The deterioration of relations between the Yugoslav republics, however, halted OECD's almost certain acceptence of Yugoslavia, as this organization found itself unable to determine with whom it is conducting talks.

The session said that mainly in question is "the threat to Yugoslavia's integrity as a whole," rather than the strategic aspect of the economic and political reforms.

Instead of responding to the renewed request, OECD only voiced more encouragement to the Yugoslav reforms and further cooperation. Yugos avia's special status as [passage indistinct] on the settlement of the country's internal political crisis. [words indistinct] the federal government's readiness and ability to "accept the discipline imposed by the OECD regulations in the majority of spheres."

OECD supported Yugoslavia's efforts and expressed conviction that the reforms will continue towards a complete market transformation of the Yugoslav economy."

The Yugoslav delegation was allowed to attend the internal session of OECD's 24 members on further GATT talks and a special meeting with Czechoslovakia, Hungary and Poland, which made the first tentative steps towards this organization.

World Bank Official on Support, Reforms

LD0506215491 Belgrade TANJUG in English 1743 GMT 5 Jun 91

[Text] Belgrade, June 5 (TANJUG)—Yugoslavia could expect even more support from the World Bank, if it manages to secure "a strong role for its Central Bank and increase its ability to control the monetary policy," World Bank Vice-President Willi Wapenhans said here today.

The Yugoslav Government's Information Secretariat announced that Wapenhans informed Federal Finance Minister Branko Zekan that if Yugoslavia wants more aid from the World Bank for its reforms, it should have a single currency, market and banking system.

Zekan said that Yugoslavia has already fulfilled the basic conditions for increased financial aid, and that the open problems of the fiscal system reforms can be overcome through the gradual realization of the Federal Government's projects.

The Yugoslav minister believes that this is why there "are increasingly less arguments for postponing the second installment of the already signed structural SAL-2 loan which amounts to 250 million dollars. [no end quotation marks as received]

Wapenhans said he would be willing, during his next visit, to "inform the representatives of the republican governments about their big responsibility for Yugoslavia's internal organization."